



2024

# Sustainability Report at C WorldWide



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An aerial photograph of a long, straight bridge spanning across a body of water. The bridge is a light grey color and runs diagonally from the bottom left towards the top right. The water is a deep teal color with visible ripples and small waves. The text is centered over the bridge.

CHAPTER  
01

Intro and 2024 highlights

# Reflections by Bo Knudsen

Sustainability matters have always been part of the way we manage investments. We may not always have used the terminology of sustainability, but long-term sustainable growth companies with strong governance practices have always been the main objective for our investment strategies.

Sustainability matters have taken a more visible role over the last few years led by increasing focus from shareholders and regulators alike. We are adapting to this changing landscape, navigating global presence both in our investments and across our client base. There is no 'one-size fits all' approach in the world of sustainability or ESG. Jurisdictions and regions alike do not move in tandem but often

approach material and systemic developments that fit with the respective economic developments of the jurisdictions.

We live in a time of complexity and profound change. From geopolitical tensions to the climate crisis and rapid technological shifts, the world is evolving at a rapid pace. Our long-term mindset is central to our investment philosophy and supports opportunities that drive growth and resilience even in uncertain times. The key to understanding and trusting management in this environment and on related set targets and strategies is the active corporate engagements we have with investee companies.

As active long-term investors and shareholders, we favour a proactive engagement approach rather than an approach based on extensive exclusion lists. Our objective is to have an ongoing dialogue with our investee companies, and where possible, influence developments in a positive way.

Integrating environmental, social, and governance factors into our investment decisions is an essential part of our fundamental analysis process. We evaluate what is material for all stakeholders of the investee company over the long term, and not just the next few quarters or years.

Looking ahead, we will continue to strengthen the integration of sustainability into our

investment processes, ensuring alignment with regulatory developments and client expectations. Our focus remains on supporting the sustainable developments of our investee companies while safeguarding long-term value creation.

This report outlines our current sustainability strategy and future targets.

Enjoy the read.



# About us

C WorldWide Asset Management Fondsmæglerselskab A/S (CWW) is an investment organisation focused solely on active equity. We manage discretionary and co-mingled equity portfolios for institutional and wholesale investors and select high-net-worth individuals. We serve clients across the Nordic region and globally. Since 1986, our long-standing objective has been to deliver sustainable, longer-term asset growth for our clients.

For more information, please visit our website:

[C WorldWide Asset Management](#)



Established since

**1986**

Employees

**126**

Locations

**Copenhagen,  
Denmark  
Stockholm, Sweden  
Gothenburg,  
Sweden  
Helsinki, Finland**

# C WorldWide's key figures 2024

## Overview

### Assets under management

**18**  
Bn USD

### Products

**15** All EU SFDR  
Article 8 products

### Reports during 2024

**48** Sustainability  
Related Reports

## Active ownership

### Direct Engagemets

**327**  
E 30 %  
S 47 %  
G 96 %

### Proxy Voting

**4389** Proposals

16% Votes against management  
6% Votes against policy

### Collective Engagements

**14** Sustainaytics

Incident-based collective  
engagements

## We support

**Dansif**



**SWESIF**  
SVERIGES FORUM FÖR  
HÅLLBARA INVESTERINGAR



**norsif**

Signatory of:  
**PRI** Principles for  
Responsible  
Investment

**RACE TO ZERO**



# Sustainability highlights

## Navigating a year of transformation

In 2024, four themes shaped our focus: AI-driven data transparency, regional differences in sustainability priorities, evolving climate policies, and rising health and biodiversity concerns.

These trends guided our research, engagement, and efforts to align long-term returns with responsible corporate practices.

Our commitment to sustainable investing is reflected in a year marked by dynamic change, technological advancements, and an evolving global context for sustainable investments. Four key sustainability themes defined the year.

### *Technology and data*

We see the integration of artificial intelligence (AI) as transformative for how sustainability-related data can be sourced, analysed, and used in our investment processes. AI's analytical power offers new possibilities to extract actionable insights from complex and often opaque datasets, improving comparability and the reliability of sustainability ratings. Yet, we acknowledge the concerns around bias, transparency, and ethical re-

sponsibility inherent in these new tools. Balancing AI-driven analytics with human judgment ensures that technological innovations can support, not supplant, our expertise as investors. This is crucial to responsibly advancing the use of AI in investment processes including sustainable finance.

### *Global differences*

A notable development continues to be the diversity of approaches to sustainability across geographies, regulatory regimes, and investor segments. While Europe's attention is often focused on environmental issues, driven by strict EU regulations, other regions, especially emerging markets, place greater emphasis on social issues like labour practices and community impact. In our view, a one-size-

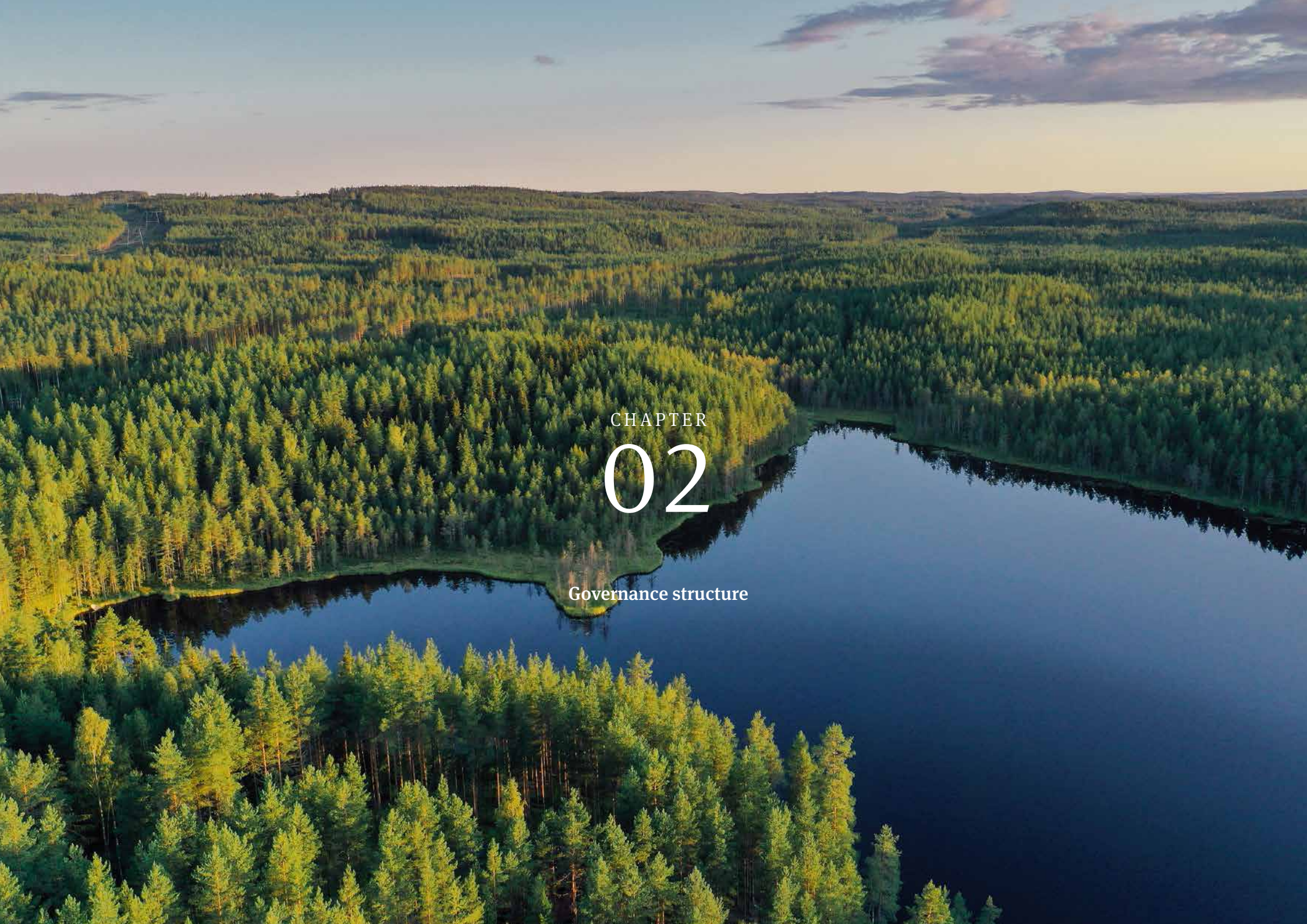
fits-all approach is inadequate for capturing the complexities and unique risks found across different regions and industries. Instead, we advocate for a nuanced and adaptive framework that integrates local context into rigorous global standards. Prioritizing robust governance and proven business models is our foundation for addressing sustainability challenges and opportunities, ensuring portfolio resilience in a dynamic world.

### *Climate and social health trends*

Beyond climate and governance, we also saw the growing importance of biodiversity and social sustainability. Topics such as human capital, supply chain resilience, and especially the risks of ultra-processed foods (UPF)

gained significant traction. Mounting scientific and regulatory interest in the health risks of UPFs, along with shifting consumer preferences, particularly among younger generations, toward healthier, less processed, and plant-based foods, have informed our engagement and research. We proactively examined our portfolio exposure to these trends, notably within consumer staples and healthcare, using stakeholder engagement and academic partnerships.

As always, our efforts aim to align shareholder returns with stakeholder demands for more sustainable and responsible corporate practices.



CHAPTER  
02

Governance structure

# Governance structure

## Strong governance

Strong governance is the foundation of sustainable business. Clear responsibilities, ethical practices, and proactive oversight ensure accountability at every level of our organization. Through defined policies and regular reporting, we integrate sustainability into decision-making to drive long-term value and resilience.

Our sustainability efforts are anchored in robust governance frameworks and a long-term strategic perspective. We define clear and transparent expectations for board composition, decision-making structures, and the ethical principles that underpin our organization. This approach ensures that responsibility and accountability are systematically integrated into decision-making processes across all levels of the company.

### *Board oversight*

Our board of directors stays closely involved in sustainability, with clear processes and regular reporting to keep them updated on material issues, including climate risks and opportunities. Responsibility and oversight obligations are

firmly embedded within Group Policies, ensuring consistent application across the organization, client mandates, and mutual funds.

### *Management's role*

Our management team holds the pivotal responsibility of identifying and monitoring sustainability risks and opportunities and reports regularly to the board. To fulfil this role, management ensures the availability of adequate resources and expertise, encompassing staff, training, and budget allocations. We continually work to stay well-prepared, enabling us to assess, act on, and follow up on risks and opportunities in practice. A prime example is our quarterly climate risk assessment, which provides concrete insights into how cli-

mate change may affect our portfolios.

### *Sustainability Steering Committee*

Our Sustainability Steering Committee sets the priorities for our sustainability work across the firm. The committee meets regularly, at least every six weeks, and brings together senior management, sustainability specialists - including our Head of Sustainability, portfolio managers, and Head of Legal to secure strong oversight. Key tasks include shaping our responsible investment frameworks, making sure we follow PRI (Principles for Responsible Investments) and regulations, and reviewing external sustainability providers.

### C WorldWide's CSR commitment

Our CSR strategy reflects our commitment to people, planet, and ethical business conduct. In 2024, we advanced initiatives supporting biodiversity, education, and community well-being while reducing our environmental footprint, creating lasting positive impact locally and globally.

#### *Conflicts of Interest*

Conflicts of interest may potentially occur in relation to our investments. Conflicts of interest may arise in connection with our investments in companies that are owned or managed by our stakeholders (e.g., shareholders or members of management). To mitigate such risks, these stakeholders are not involved in our investment processes, and we do not invest in IPOs initiated by our shareholders.

For proxy voting, if investors across different strategies have diverging interests in a proposal, each portfolio management team votes independently, acting solely in the best interests of its own investors. Further information on Proxy Voting can be found on page 31. We also disclose any conflicts of interest that cannot be fully

avoided, along with the steps we take to manage and mitigate those risks to protect our clients and investors.

#### *Corporate social responsibility*

We believe transparency and ethics are key to creating lasting, positive change. Our CSR efforts go beyond policies, focusing on reducing our environmental footprint, supporting our people, fostering inclusion, and strengthening communities. In 2024, we explored how ultra-processed foods connect to sustainable investing through our ESG education partnership with Copenhagen Business School.

Discover this and other initiatives in our [CSR report](#).



CHAPTER  
03

Our sustainable investment approach



# Our sustainable investment approach

Sustainability has been integrated into our investment approach for more than 20 years. We see it as part of long-term value creation: refining our processes, engaging actively with companies, and reporting openly to our partners.

## Strategy

We strategically prefer companies with strong and enduring business models, capable management, and ethical practices, and we combine this focus with active ownership and a long-term mindset. Our portfolio managers take direct responsibility for including sustainability in every investment decision; we do not outsource this responsibility. This principle is set out clearly in our Responsible Investment Policy. Further information on our policies can be found on page 39.

To guide our analysis, we use frameworks such as SASB's materiality map,

tailoring our work to each industry and company. We generally favour constructive dialogue over exclusion, engaging with companies to improve rather than stepping away too quickly.

## Investment team

Sustainability is fully integrated into our investment process. Portfolio managers and analysts, including our Head of Sustainability, work together on research, screening, voting, and engagement. All assignments and analyses are carried out in-house. This ensures that our expertise stays within the organisation and is shared across strategies, strengthening both our investment decisions and our stewardship.

## Corporate governance

We believe that a strong sustainability profile starts with good corporate governance, as this is the foundation for long-term value creation and the plat-



From left to right: Viktor Fessé, Portfolio Manager, Ulf Arvidsson, Portfolio Manager, Catrin Jansson, Portfolio Manager, Mikael Svensson, Portfolio Manager and Henrik Söderberg, Portfolio Manager.

## Sustainability strategy

For over 20 years, sustainability has been integrated into our investment approach. We focus on companies with strong business models, ethical practices, and capable management, combining this with active ownership and long-term value creation. Our portfolio managers take direct responsibility for sustainability in every decision, ensuring accountability and in-house expertise.

form on which environmental and social progress is built.

We prioritise companies with sustainable business models, experienced management teams, and high ethical standards. Governance influences not only policies on climate or ethics but also the wider val-

ue chain and relationships with stakeholders.

### *Climate commitment and risks*

We identify and assess climate-related risks across our portfolios, focusing on both physical impacts, such as rising temperatures, extreme

weather events, and pressures on raw materials and supply chains, and transition risks related to the shift toward a low-carbon economy. These insights are integrated into our investment analysis, enabling portfolio managers to mitigate exposure to high-risk sectors while favouring resilient com-

panies that are well-positioned to support and benefit from the global energy transition. Our current priority is to achieve interim portfolio alignment by limiting the portfolio's temperature impact to a maximum of 2 °C. This commitment is supported by significant progress in reducing our



From left to right: Leemon Wu, Portfolio Manager, Abhinav Rathee, Portfolio Manager, and Aman Kalsi, Portfolio Manager

## Climate commitment

We integrate climate risk into our investment analysis, focusing on both physical and transition risks. Our goal is to align with the Paris Agreement's 1.5 °C pathway by 2050, supported by clear interim targets and a 57% reduction in our operational footprint since 2019. Through active engagement and rigorous analysis, we aim to build resilient portfolios and support the global transition to a low-carbon economy.

operational carbon footprint, with a 57% reduction achieved since 2019 and a firm target of 50% set for 2030. These actions reflect tangible steps toward decarbonisation and demonstrate our broader climate ambitions.

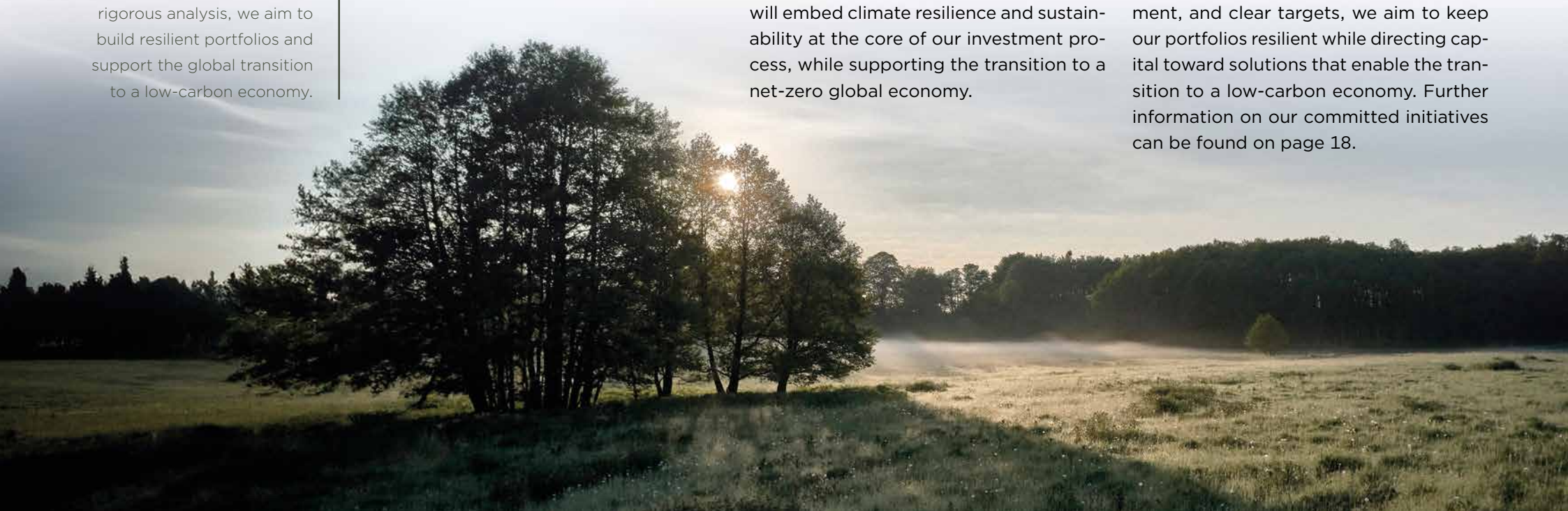
As we advance, our strategy is guided by the IEA Sustainable Development Scenario (SDS) framework, which provides a structured approach to managing climate-related risks and opportunities. Under this

framework, the portfolio overshoot is expected to decline from 30% by 2030 to 15% by 2040, representing a critical milestone in aligning our investments with the low-carbon transition and adapting to evolving regulatory and market dynamics.

Our long-term goal is to align with the Paris Agreement's 1.5 °C pathway by 2050. This includes targeting 35% of assets under management (AUM) to meet this benchmark and eliminating the portfolio overshoot entirely. Reaching this goal will embed climate resilience and sustainability at the core of our investment process, while supporting the transition to a net-zero global economy.

We have been a supporter of the Task Force on Climate-related Financial Disclosures (TCFD) since 2020 and are committed to transparent, consistent annual reporting. To measure and track progress, we monitor key metrics such as total emissions, carbon footprint, and weighted average carbon intensity. Each strategy is reviewed quarterly to give portfolio managers a clear and timely view of climate risks and opportunities.

Through rigorous analysis, active engagement, and clear targets, we aim to keep our portfolios resilient while directing capital toward solutions that enable the transition to a low-carbon economy. Further information on our committed initiatives can be found on page 18.



# Sustainability risk management

We prioritise sustainability risks with the same importance as financial risks. From pre-investment analysis to ongoing monitoring, our portfolio teams are responsible for identifying, assessing, and managing these risks across all time horizons.

We focus on factors that are material and measurable. Their impact depends not only on a company's activities but also on how well it is governed and managed. This aligns with our

preference for investing in companies with robust governance structures and experienced leadership, qualities that typically reduce exposure to environmental, social, and climate-related risks.

Acknowledging the evolving nature of sustainability-related risk considerations, we emphasise materiality and measurability in our research. We use our in-house analysis tool, LISA (Long-term Investment in Sustainable Assets), together

with external frameworks such as the SASB materiality map, to identify and track risks across industries and sectors. This allows us to systematically document, monitor, and integrate sustainability risks into our investment process. Further information about our analytical tool LISA can be found on page 17.

## *Exclusions and screenings*

The analysis and monitoring of sustainability-related risks, including climate-related risks, are integral to the responsibilities of our investment team. They conduct risk assessments, financial analyses, and investment decisions based on a combination of internal and external research. In line with

our commitment to environmental and social standards, our strategies exclude investments in companies that exceed defined involvement thresholds - 0% for controversial weapons and 5% for small arms except for C WorldWide Global Equities Ethical which has a 0% threshold for small arms.

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We emphasise materiality and quantifiability within a long-term investment framework, systematically documenting and monitoring sustainability-related risks through tools such as the SASB materiality map and climate risk assessments.



### Managing sustainability risks

We treat sustainability risks with the same importance as financial risks. Using in-house tools and external frameworks, we identify, monitor, and manage material sustainability and climate-related risks across all portfolios. Clear exclusion criteria, active ownership, and systematic screening ensure accountability and alignment with our responsible investment policies.

Prior to any investment, companies undergo thorough screening through Morningstar Sustainalytics to ensure they meet our investment criteria. Investments are only made when this screening confirms compliance with our restrictions. We maintain continuous monitoring throughout the holding period to ensure ongoing adherence to governance standards. Any breach of our investment restrictions results in prompt divestment.

#### *Impact on policies and strategies*

Our responsible investment policy sets clear exclusion criteria. We do not invest in companies involved in controversial weapons, and we avoid companies that exceed defined environmental or social risk thresholds.

We also manage conflicts of interest to protect clients. As part of our active ownership, portfolio teams exercise proxy voting in line with our Engage-

ment and Proxy Voting Policy, which guides decisions on minority shareholder rights, remuneration, transparency, and material sustainability topics. Voting is a key tool to hold companies accountable and support long-term value creation.

Our Sustainability Risks Policy defines how we identify and integrate sustainability risks into analysis and investment processes, ensuring alignment of risk management, active ownership, and exclusions. Breach-

es of sustainability policies result in prompt divestment.

Together, these three policies provide a consistent framework connecting investment decisions, stewardship, and risk management, enabling us to address evolving sustainability and climate challenges. Further information about our policies can be found on page 39.

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Our investment methodology has integrated sustainability risks and opportunities, prioritising robust business models, ethical practices, and active management to ensure long-term, responsible results.



LISA (Long-term Investments in Sustainable Assets) is our proprietary tool for integrating sustainability into investment decisions. It collects over 100 sustainability data points per company, helping us identify risks and opportunities, track impacts, and engage with companies on the issues that matter most.

### *LISA, our in-house analytical tool*

In 2023, we introduced our proprietary sustainability integration and assessment tool for including sustainability in the investment research and analysis process, LISA. LISA collects more than 100 sustainability-related data points for every company we invest in. These data points are structured across the three dimensions of ESG, Environmental, Social, and Governance.

Within the environmental dimension, LISA captures metrics on emissions, alignment with Science-based Targets (SBTi) or net-zero commitments, biodiversity protection, and resource efficiency. On the social side, the tool monitors diversity, adherence to international standards, and working conditions within investee companies. Governance

assessments cover board composition, remuneration structures, and shareholder rights.

### *SFDR and PAI*

The SFDR (Sustainable Finance Disclosure Regulation) with its PAI (Principal Adverse Indicators) is one of the two key parts of the analysis structure integrated into LISA. PAI are the negative effects that investment activities can have on people and the planet. This includes environmental impacts, such as greenhouse gas emissions, water use, or biodiversity loss, as well as social and governance factors, like labour practices, human rights, or business ethics. Under EU regulations, financial institutions are required to identify, assess, and disclose these impacts for both their overall investments and specific financial products. The purpose is to increase transparency, help-

ing investors understand how their money may contribute to sustainability challenges and to encourage better management of these impacts over time.

### *SASB materiality*

The other key part of LISA is SASB materiality assessment. SASB materiality refers to the concept of materiality as defined by the Sustainability Accounting Standards Board (SASB), which is focused on identifying the sustainability issues most likely to affect a company's financial performance.

Both PAI and SASB highlight areas where corporates accelerate or lag sustainability risk or development. By monitoring PAI and SASB indicators, we can focus on areas where our investments have the most significant effects, engage

with companies to improve practices, and ensure our approach supports a more sustainable future.

### *Further developments*

Further developments for LISA are scheduled for 2025, including a higher degree of automation, allowing for faster data collection, improved consistency, and more sophisticated analysis. This enables us to spend more time interpreting insights and engaging with companies on the issues that matter most. The tool does not simply gather numbers; it provides an integrated analytical framework that, combined with the expertise of our investment team, guides the prioritisation of our engagement efforts.

# Climate targets and performance

*The analysis shows an increase in Scope 1, 2, and 3 emissions compared to last year, driven by more comprehensive and inclusive data reporting as well as a higher share of high emitters. The increases mainly reflect improved accuracy and transparency. Scope 1 and 2 emissions grew by 1%, while Scope 3 rose by 8%, primarily due to enhanced reporting by investee companies and broader coverage of value-chain emissions.*

A small group of companies dominate most of our carbon footprint; the top five emitters across all strategies account for nearly 65% of portfolio emissions. We use company specific climate data from ISS, which combines reported and modelled inputs, to strengthen our understanding of both upstream and downstream impacts.

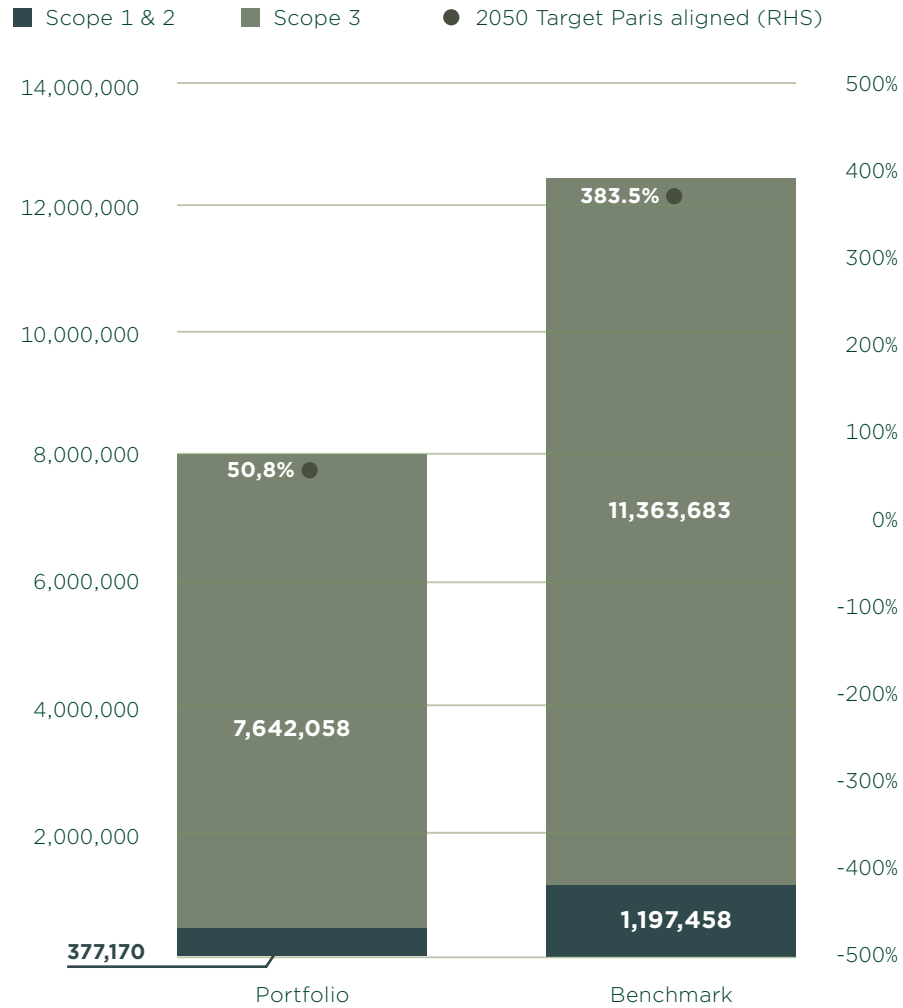
Within our investment strategies, we integrate specific environmental metrics, such as total carbon emissions, relative carbon footprint, and weighted average carbon intensity, to monitor and manage climate-specific transition risks. Each strategy undergoes quarterly assessments against these metrics, providing portfolio managers with compre-

hensive insights for fundamental risk analyses.

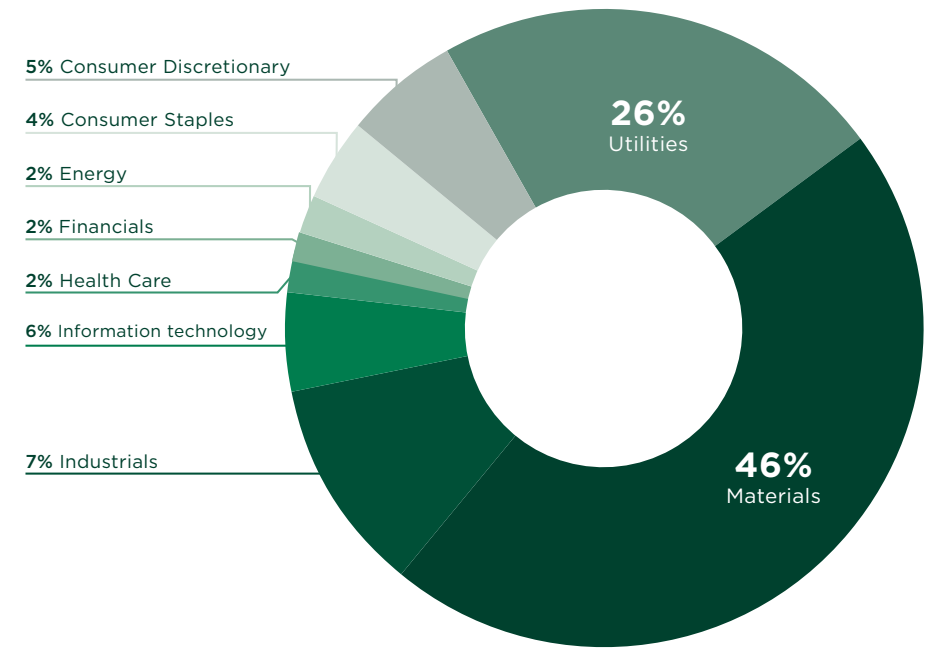
Presented below is a collective climate assessment across all strategies, reflecting the total fund universe based on AUM of USD 18 billion as of December 31, 2024.

	Emissions Exposure tCO <sub>2</sub> e		Relative Emission Exposure tCO <sub>2</sub> e/Revenue	Climate Alignment SDS Budget 2050
	Scope 1 & 2	Incl. Scope 3	Weighted Avg. Carbon Intensity	
Strategies	377,170	8,019,228	103	50.76%
Benchmark	1,197,458	12,561,141	110	383.52%
Net Performance	68.5%	36.2%	6%	

### Emissions exposure (tCO2e)



### Sector contribution to emissions



The graph on the left shows that our portfolio has significantly lower Scope 1, 2, and 3 emissions than the market benchmark and is closer to alignment with the 2050 Paris target, though further reductions are still needed, especially in Scope 3.

The chart above highlights where these emissions come from: Materials is the largest contributor, followed by Utilities and Industrials, while Energy, Financials, and Health-care contribute the least.

### Temperature targets

The temperature rating for the baseline year 2019 is

2.4°C

Our interim target for 2030 is aimed at a maximum of

2°C

By 2050, our goal is for 35% of our Assets under Management (AuM) to reach

1.5°C

The table below presents the five largest emitters across all investment strategies, measured by their contribution to total portfolio emissions. To provide additional context, the following sections highlight the three largest emitters, outlining their core business activities, climate ambitions,

and our ongoing engagement with each company.

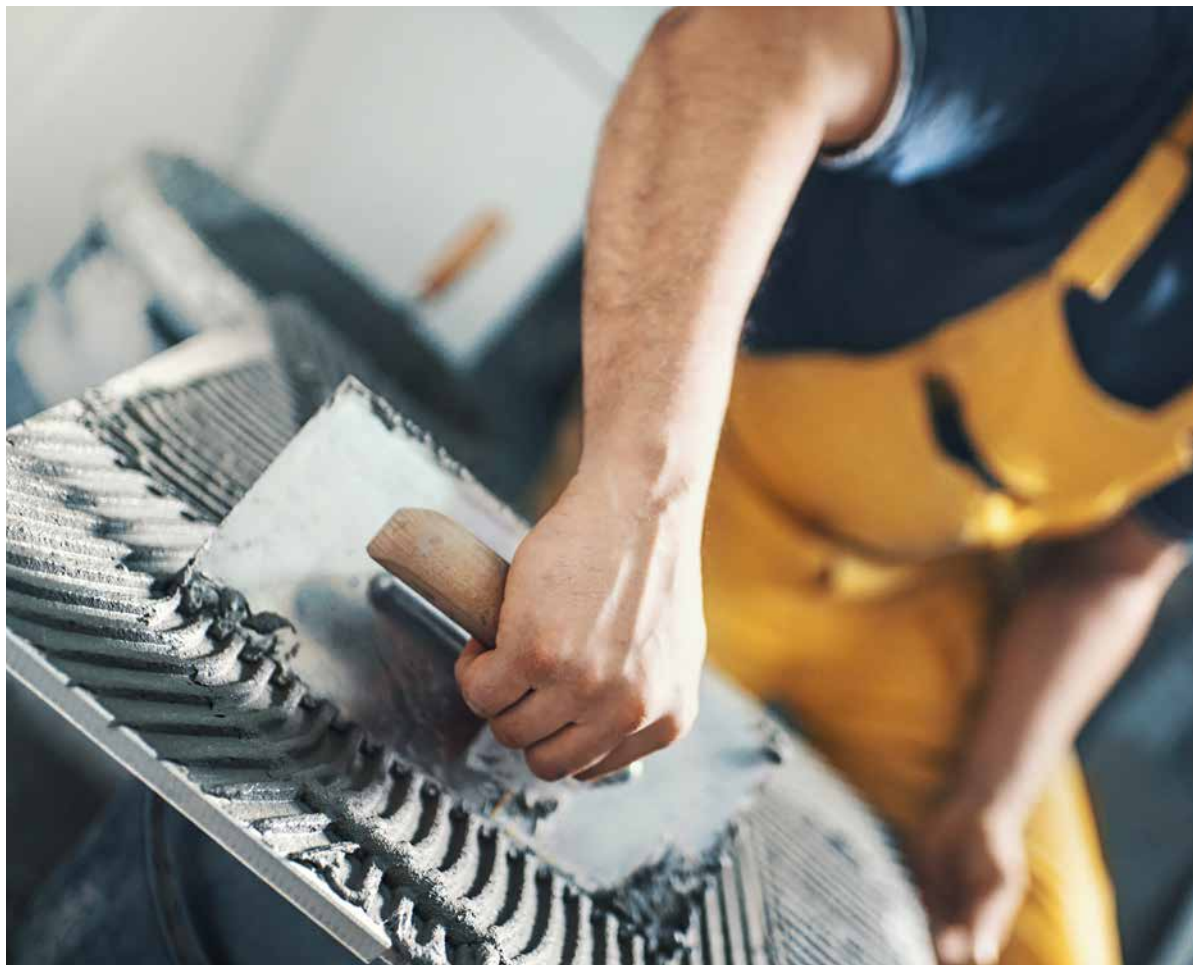
**NextEra Energy**, a leading U.S. energy company and one of the world's largest producers of renewable energy, is addressing its climate impact through the RealZero transition plan, targeting full decar-

bonization of Scope 1 and 2 emissions by 2045. Central to this strategy is its subsidiary Florida Power & Light, which is expanding solar capacity while halting new natural gas developments. NextEra has already achieved GHG emissions 51% below the U.S. industry average and allocates

a significant share of capital to renewables and grid infrastructure. We continue to engage with NextEra, including through Climate Action 100+, to promote transparency and accountability in its transition strategy.

### Top 5 emitters across all strategies

Issuer Name	Contribution to emission exposure (%)	Portfolio weight (%)	Emissions reporting quality	Carbon risk rating
NextEra Energy	23.6 %	1.8 %	Strong	Outperformer
Linde Plc	22.1 %	2.5 %	Strong	Outperformer
Ultratech Cement	13.6 %	0.2 %	Strong	Medium performer
TSMC	2.9 %	4.4 %	Strong	Outperformer
LG Chem	2.6 %	0.1 %	Strong	Medium performer



**Linde**, a global leader in industrial gases, is driving decarbonisation efforts while enabling low carbon solutions for its customers. The company has set a “35 by 35” target to reduce Scope 1 and 2 emissions by 35% by 2035, with good progress on Scope 2 reductions. Linde is scaling hydrogen production through blue hydrogen facilities in the U.S. and Canada and expanding green hydrogen projects globally. It is also advancing carbon capture and storage (CCS) in partnership with major energy companies. We view Linde as a key player in industrial decarbonisation and continue to engage on its climate strategy and reporting.

**UltraTech Cement**, India’s largest cement producer, operates in a highly carbon-in-

tensive sector. The company has SBTi-validated targets to reduce emissions by 2032 and is a founding member of the Global Cement and Concrete Association’s Net-Zero Roadmap, which aims for carbon-neutral concrete by 2050.

UltraTech has also joined the RE100 initiative, committing to source 100% of its electricity from renewables by 2050. We see UltraTech as an important contributor to India’s energy transition and engage to support its decarbonisation journey.

Further information on our engagement initiatives can be found in the Active Ownership section on page 25.

## Net zero commitment

We remain committed to aligning our investments with the Paris Agreement, targeting a maximum portfolio temperature rating of 2.0°C by 2030 and 1.5°C by 2050, covering 35% of our assets under management. Using ISS' Climate Risk Assessment tool, we track progress toward these goals, allowing limited overshoot until 2050.

### *Net Zero Asset Managers initiative (NZAM)*

Since January the NZAM initiative has put itself on hold to undertake a review of its framework to continue to be fit for purpose. We have witnessed a significant scaling back, in particular from U.S.-based institutions, but also Japanese, that are leaving the initiatives with the reason of heavy administrative burdens but is highly likely more a response a changed political environment.

We do not foresee any update to the NZAM initiative until late 2025, but thus far remain as signatories to support the necessary global decarbonization and remain pragmatic in our approach to engage and assess investee companies. Climate and sustainability matters are also moving within the

EU. In February 2025, the EU announced its Simplification Omnibus Package to loosen the reporting and disclosure burden of the otherwise very ambitious requirements in the EU Green Deal, specifically elements within the EU Taxonomy, the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD), respectively, where the requirements are now changed to only include large corporates and direct suppliers, as well as postponing reporting deadlines by two years.

We follow these developments closely but stay committed to aligning investment with the Paris Agreement and as such continue to aim for the below set targets.

- Baseline year 2019: temperature rating of 2.4°C
- 2030: maximum temperature rating of 2.0°C
- 2050: 1.5°C target covering 35% of our Assets under Management (AuM)

To achieve this, we engage with both existing and prospective segregated clients to secure endorsement of these commitments.

Our portfolio analysis uses ISS' Climate Risk Assessment tool, which tests alignment with the International Energy Agency's (IEA) Sustainable Development Scenario (SDS), Announced Pledges Scenario (APS), and Stated Policies Scenario (STEPS). This framework helps us evaluate whether portfolios are on track, over-

shooting, or undershooting climate benchmarks. We allow for limited overshoot until 2050, with interim thresholds of 30% in 2030, 15% in 2040, and 0% in 2050.

*Net Zero pathways*

Being signatories of NZAM, our commitment extends beyond achieving net zero greenhouse gas emissions; we also pledge support for investments aligned with net zero

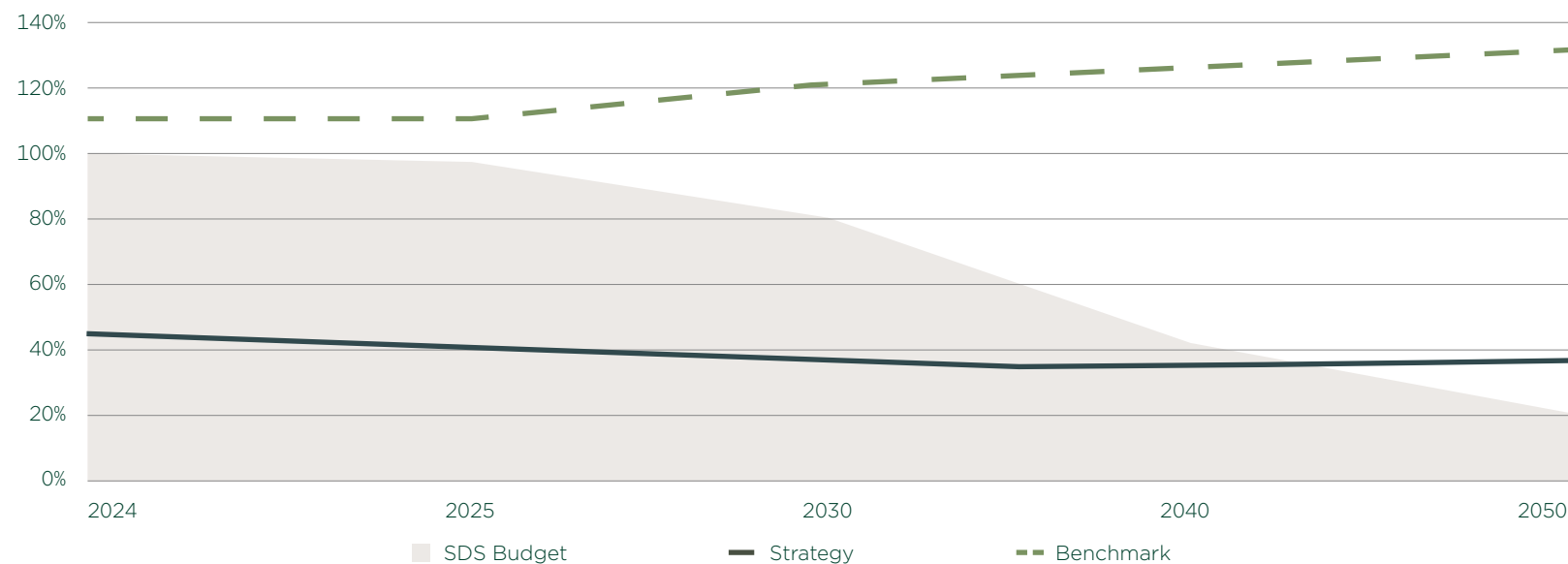
emissions by 2050 or sooner. To gauge our progress, we have chosen the Temperature Rating Approach as our methodology, a measure that evaluates the ambition reflected in our portfolio's public targets.

Our engagements with investee companies focus on identifying and mitigating climate-related risks and monitoring their commitment to transitioning in line with global climate goals. This pro-

active approach works towards a responsible and sustainable investment practices aligned with the 1.5°C scenario outlined in the Paris Agreement.

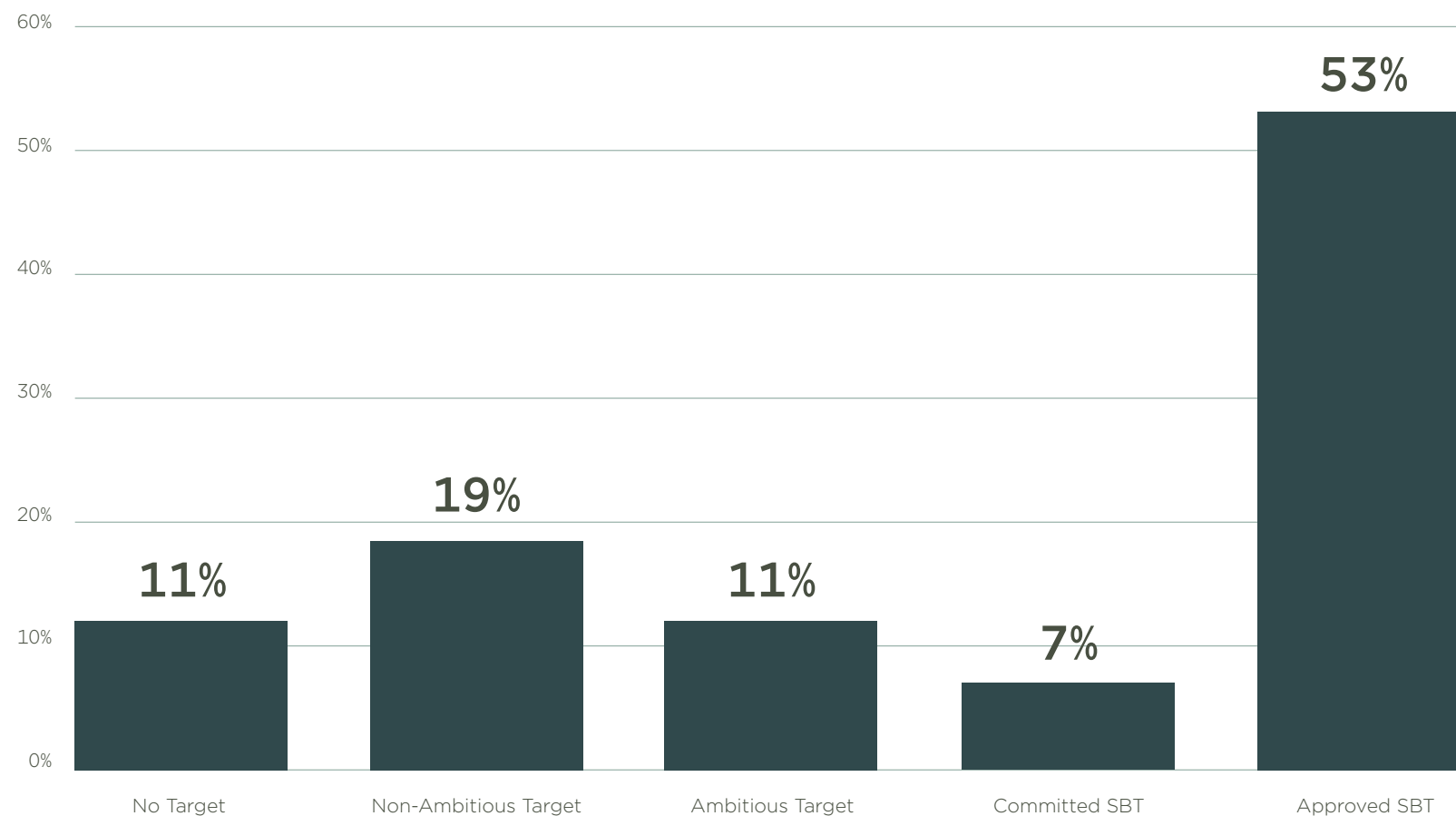
The chart compares our portfolio's projected emissions trajectory to both a market benchmark and a climate-aligned Sustainable Development Scenario (SDS). While our portfolio is on a better trajectory than the broader market, it remains above the SDS pathway required to limit global warming to 1.5°C. Closing this gap will require ongoing engagement, and active monitoring to support the transition to net zero by 2050.

**CWW Emission Pathway vs. Climate Scenarios Budget**



The chart shows the distribution of our portfolio based on the climate ambition of investee companies. Currently, 53% of the portfolio is aligned with approved Science-Based Targets (SBTs). However, 11% of companies have no climate target, and 19% have targets that are not sufficiently ambitious. We continue to engage with companies to move them toward setting and achieving validated SBTs, strengthening the portfolio's overall alignment with a net zero pathway.

#### Climate target assessment (% portfolio weight)



# Active ownership

## Stewardship in action

We combine direct engagement with company leadership and collaborative efforts with peers and experts. By pooling resources and expertise, we amplify our influence and help companies strengthen sustainability practices, creating long-term value for all stakeholders.

Active ownership is a core pillar of our investment approach. Through direct engagement, collective engagement, and proxy voting, we influence companies to strengthen sustainability practices and create long-term value.

## Direct engagements

Direct engagement is carried out by our investment team and form part of our LISA framework, reflecting our belief that continuous, long-term dialogue with company leadership, including management, executives, and board members, strengthens stewardship and ensures material issues are addressed. Each engagement is guided by a proportionality assessment that considers our shareholding size, influence potential, issue materiality, data reliability,

and the likelihood of driving meaningful change.

Below are two examples that highlight how our direct engagements have addressed key sustainability issues during the year:

### Assa Abloy – Focus on decarbonization efforts to achieve 2030 carbon reduction targets.

Assa Abloy, a global leader in opening solutions, has made strong sustainability progress, reporting reductions in injury rates, water and energy intensity, and overall carbon footprint compared to the previous year.

The company is now halfway towards achieving its 2030 carbon reduction targets, driven by key initiatives. Re-

cently, Assa Abloy's Head of Sustainability visited its largest production site, which accounts for 10% of total energy usage, to advance action plans on energy efficiency and emissions reduction. Progress has also been made on Scope 3 emissions, particularly through improvements in steel procurement, which represents 14% of the Group's Scope 3 footprint.

Innovation remains central to Assa Abloy's strategy. The company continues to invest in R&D to reduce hazardous waste and improve product sustainability. Its recent acquisition of Kinetron, a developer of energy-harvesting technology, highlights this commitment by enabling motion-powered solutions that replace traditional batteries.

On the governance side, the company has integrated sustainability KPIs into compensation structures. Increasingly, long-term incentives are linked to sustainability performance, ensuring alignment between executive rewards and the company's long-term environmental goals.

## Microsoft

Cybersecurity and sustainable energy are material sustainability topics for Microsoft. Secure systems protect users and maintain trust, while reliable, clean energy is vital to power the company's rapidly expanding AI-driven data centres, ensuring long-term, sustainable growth.



### **Microsoft – Focus on strengthening cybersecurity, managing litigation risk, and securing sustainable energy for AI-driven data centre growth.**

Microsoft was the focus of our engagement on cybersecurity challenges, including vulnerabilities revealed by the SolarWinds attack.

Concerns were raised about whether product development had been prioritised over addressing security flaws. Microsoft emphasised that security is embedded across all processes and has since significantly expanded its efforts. The company now employs 34,000 engineers dedicated to cybersecurity, and all

employees are evaluated on cybersecurity performance as part of their annual reviews.

Our discussions also covered energy management, driven by the growing demand from AI-powered data centres. To meet its expansion needs, Microsoft requires a stable, large-scale energy supply and

has taken the notable step of purchasing a otherwise closed nuclear power plant to secure long-term energy availability for its data infrastructure.

Top 3 subject within E, S & G

Environmental

**152** Business model resiliance

---

**56** GHG emissions

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**27** Product Design & Lifecycle Management

---

Social

**57** Labour Practices

---

**76** Selling Practices & Product Labelling

---

**74** Product Quality & Safety

---

Governance

**267** Strategy

---

**149** Capital Structure

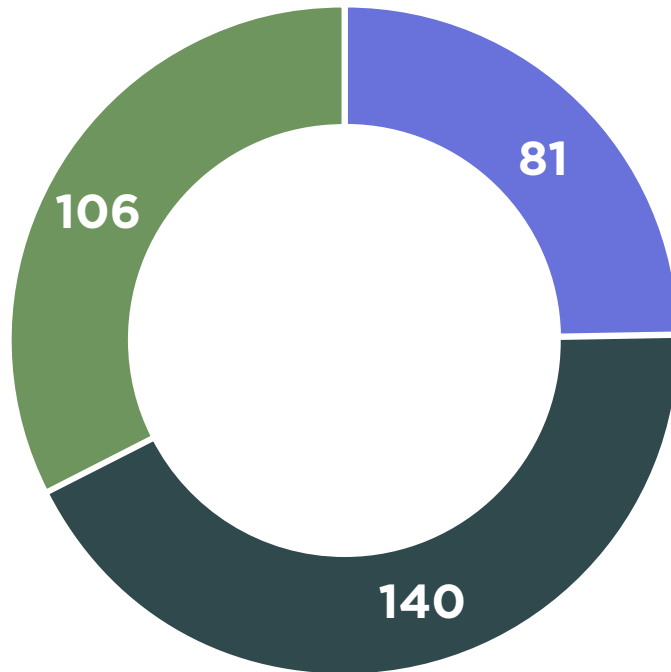
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**132** Competitive Behaviour

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### Top regions engagements

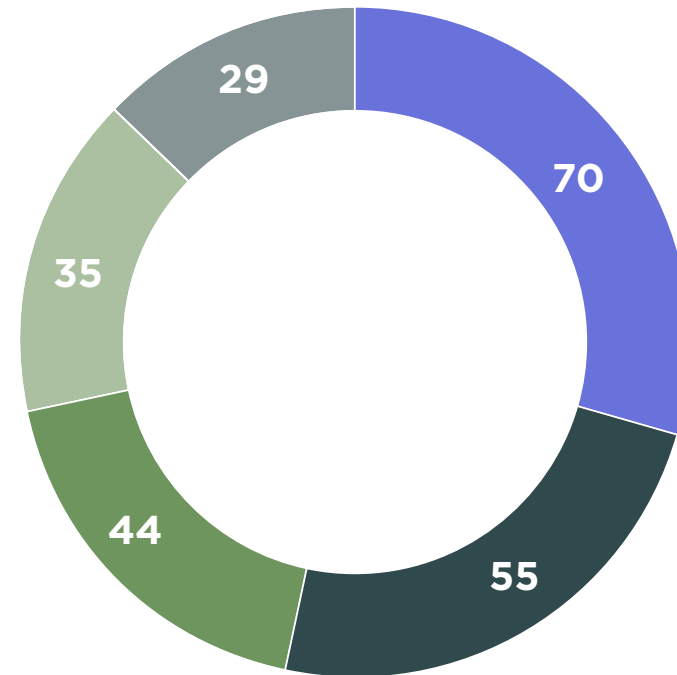
Engagement efforts were highest in Europe, the Middle East, and Africa (EMEA), followed by Asia Pacific and North America, reflecting a broad global focus with particular emphasis on EMEA markets.



- North America
- Europe, Middle East, Africa
- Asia Pacific

### Top sectors engagements

Engagement efforts were most concentrated in Industrials, followed by Health Care, Financials, Consumer Discretionary, and Energy, highlighting the sectors where activity is focused to drive sustainability improvements and address climate-related risks.



- Industrials
- Health care
- Financials
- Consumer discretionary
- Energy

## Collective engagements

### Engagement strategy

Our engagement approach uses insights from our LISA framework and combines direct dialogue with company leadership and partnerships through global initiatives like Climate Action 100+ and Sustainalytics. This ensures material issues on climate, human rights, and governance are addressed with a focus on meaningful and lasting change.

We collaborate with peers via initiatives like Climate Action 100+ and other third-party services. This collaborative approach grants us access to specialists with robust knowledge and extensive networks. This expertise is instrumental in leveraging ongoing engage-

ments with investee companies on critical issues, including human rights, labour rights, environmental concerns, and business ethics.

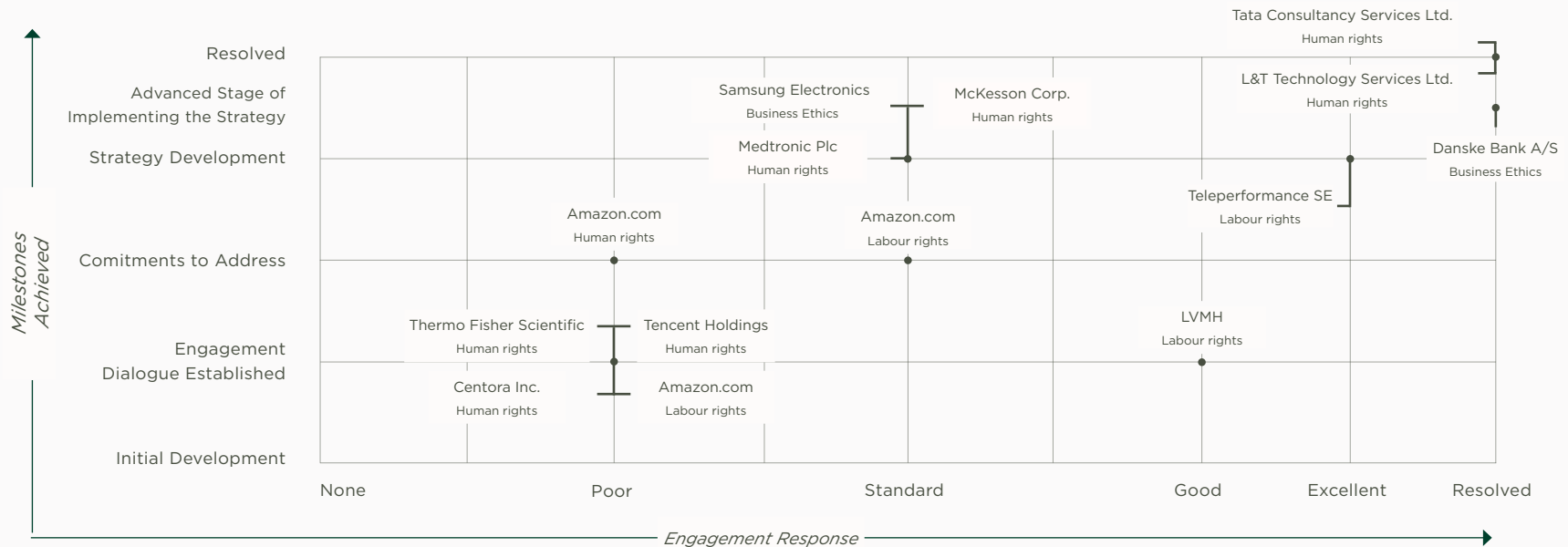
Collective engagements are typically initiated in response to breaches, or credible indi-

cations of breaches, of international norms or conventions. In these instances, we may also directly communicate with other stakeholders to advance collective engagement efforts.

In 2024, there were 14 active collective incident-based

engagements, primarily addressing social issues such as human and labour rights, while also focusing on environmental concerns and climate-related lobbying transparency.

The chart highlights where companies stand in their journey to address ESG-related issues. It helps identify leaders close to resolving concerns and laggards that require intensified engagement efforts.



### Climate Action 100+ engagement

Since 2021, we have collaborated through Climate Action 100+ to drive progress at NextEra Energy.

Our engagement focuses on advancing its RealZero strategy by expanding solar and storage, reducing gas dependency, and promoting transparent, constructive dialogue.

#### *Climate Action 100+*

We have been part of Climate Action 100+ since 2021 and have been co-engager on NextEra Energy (NEE) since May 2022. Latest engagements have centred around clarity of NEE's and the group's efforts in reaching RealZero between 2030-2040. NEE has been somewhat reluctant to speak with the CA100+ engagement group previously but recent calls has proven very informative and brought honest discussions to the table. Florida Power & Light (FPL), a wholly owned subsidiary of NEE, are the bulk of what NEE does to meet the key milestones in the RealZero strategy, which is to build out solar and storage, and decrease gas.

New natural gas developments are not part of the RealZero plan. Today, solar is a

lower cost option than natural gas and is expected to be for years ahead. From a capex and growth perspective solar is key to NEE.

We have further discussed the development of green hydrogen fields and revisiting nuclear power, however, NEE sees green hydrogen still years away before it becomes a viable option.

Conclusions so far are that green hydrogen is too expensive and NEE considers investor resources when embarking on new projects. Estimates are that green hydrogen is further out in this decade. Nuclear is not part of the plan in the near future, but NEE monitors the development especially considering projected energy resources needed for the global AI escalation.

Below is an example of how we focus our resources on collective engagements.

#### **Tencent - Strengthening human rights practices by improving transparency, privacy governance, and global alignment on digital rights.**

Tencent, a leading Chinese technology and entertainment company, operates global platforms such as WeChat and Weixin. Our engagement focused on concerns raised by NGOs and academics about how the company balances Chinese regulatory compliance with human rights, including freedom of expression and privacy.

This challenge has become more complex since the introduction of China's Personal Information Protection Law

(PIPL) in 2021, which remains open to interpretation. In 2023, Tencent took an important step by joining the UN Global Compact, pledging to strengthen due diligence and disclosure. Governance has also improved, with the creation of a dedicated ESG committee and a task force overseeing privacy and security issues.

Policies continue to differ by region: in China, content may be censored in line with government regulations, while users outside China have greater choice, including the option to opt out of monitoring.

Tencent's progress, including its first disclosure on digital rights, marks a positive step forward, though further work is needed to align global practices and build trust with users and stakeholders.

### Proxy voting

Our voting aligns with engagement themes to hold companies accountable on sustainability and governance, guided by research and final review to support long-term value creation.

#### *Proxy voting*

Voting rights are a key stewardship tool. We exercise our voting rights in accordance with pre-determined parameters and fiduciary policy, striving to maximize long-term sustainable return while avoiding or appropriately managing conflicts of interest. Monitoring every general meeting of our investee companies, we align our proxy votes with the themes emerging from our

direct and collective engagements.

These voting decisions are supported by research and recommendations from our proxy voting service provider, Glass Lewis, and undergo final review by our portfolio managers who assess each recommendation alongside their own company analysis, external sell-side research, and insights from our sustainability specialists.

In 2024, we focused on shareholder rights, compensation, increased disclosure and transparency, and sustainability-related topics. We participated in 357 shareholder meetings, across 25 countries. We opposed management on 16% of the 4389 proposals.

See table below for a full overview of our voting activity.

	Votable	Voted	Percentage voted
Number of general meetings voted	358	357	99%
Number of proposals voted	4389	4355	99%
Number of votes on shareholder proposals	66	65	98%

Carrier Global Corporation advocated for performance-based executive compensation tied to climate and sustainability goals and supported greater transparency in lobbying to align with long-term shareholder value.

The following example illustrates how our voting approach is applied in practice.

**Carrier Global Corporation – Focus on aligning executive compensation with performance and increasing transparency in lobbying activities to support long-term shareholder value.**

Carrier Global Corporation, a leading U.S. provider of HVAC, refrigeration, and fire & security solutions, was the focus of our engagement on executive compensation and governance.

We raised concerns that the company's long-term incentive grants were not sufficiently performance-based, creating questions about alignment with shareholder interests. In

line with our policy, we also evaluated whether the compensation framework incorporated environmental and social considerations. When these factors are missing, and executives are not incentivised to address climate-related risks, we are inclined to oppose such proposals. This was

the case here, despite one-off payments being awarded during the period.

In addition, we reviewed a shareholder proposal requesting greater disclosure of Carrier's lobbying activities. We supported this measure, as increased transparency helps

investors better assess the company's political engagement and its alignment with long-term shareholder value.



From left to right: Leemon Wu, Portfolio Manager, and Abhinav Rathee, Portfolio Manager

HDFC Bank recommended extending vesting periods to encourage sustainable, long-term value creation and called for clear performance targets to strengthen transparency and accountability in incentive plans.

**HDFC Bank - Focus on enhancing the employee stock option plan by extending vesting periods and adding clear performance targets for stronger alignment with long-term value creation.**

HDFC Bank, one of India's largest private banks, provides a wide range of banking and financial services. Our review of

the bank's proposed Employee Stock Option Master Scheme focused on its structure and conditions.

We found the minimum vesting period to be too short to effectively encourage long-term value creation. Extending this horizon would better align the plan with shareholder interests

and promote more sustainable performance outcomes.

We also believe that incentive plans should include clear performance targets, ensuring that awards are directly tied to measurable achievements. Adding these features would improve transparency and accountability.

While we recognise the value of stock-based incentives for attracting and retaining talent, we ultimately agreed with Glass Lewis' recommendation to vote against the proposal, given the opportunities for improvement in its current design.





CHAPTER  
04

Outlook 2025

# Outlook 2025

## Navigating change with a focus on sustainability

Our 2025 focus areas include energy transition, biodiversity, supply chain resilience, human capital, and business ethics. Amid uncertainty, we remain committed to active engagement and building resilient, competitive investments through sustainability-driven growth.

Geopolitical tensions remain elevated, reshaping priorities for governments, businesses, and investors alike. Security concerns, economic protectionism, and shifting alliances are influencing market dynamics in ways that will have long-lasting implications for sustainability and public equity investments.

At the same time, expectations for climate action and the transition to a low-carbon economy remain high, even as momentum differs across regions. While some actors are stepping back from earlier commitments, others are accelerating their efforts to lead in areas such as clean technology, renewable energy, and industrial innovation. This divergence highlights both the risks of fragmentation and the

opportunities for long-term investors to identify structural winners.

Public budgets and policy agendas are increasingly being tested by competing demands, from defence spending to energy resilience, yet the case for sustainability as a driver of growth, innovation, and resilience remains strong.

Market participants continue to recognise that sustainability is not only a matter of responsibility but also one of competitiveness in a rapidly changing world. At the same time, we expect artificial intelligence to take a more significant role in shaping the future of sustainable finance, improving transparency, advancing risk management, and supporting better-informed investment decisions.

Our key focus areas going forward will centre around five themes: energy transition, biodiversity, supply chain resilience, human capital, and business ethics. These areas capture the structural forces shaping markets and society and will guide how we work with companies to support long-term value creation.

Amid uncertainty, we remain committed to a pragmatic and forward-looking approach: engaging actively, focusing on structural tailwinds, and ensuring that sustainability continues to be at the core of resilient and competitive investments.





CHAPTER  
05

TCFD indices

# TCFD Indices

## Governance

Describe the board's oversight of climate-related risks and opportunities.

p. 9-10

Describe management's role in assessing and managing climate-related risks and opportunities.

p. 9-10

## Strategy

Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.

p. 13-16

Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.

p. 12-13, p. 15-16 & p. 18-23

Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including 2 degrees or lower scenario.

p. 15-16 & p. 18-23

## Risk management

Describe the organisation's processes for identifying and assessing climate-related risks.

p. 13-15

Describe the organisation's processes for managing climate-related risks.

p. 13-16

Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.

p. 13-16

## Metrics and targets

Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management.

p. 18-24

Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

p. 18

Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

p. 18-24



CHAPTER  
06

Reporting and transparency

# Reporting and transparency

		Strategies	Sub-Funds - Luxembourg	Sub-Funds Denmark
Disclosure documents	Prospectus / Pre-contractual disclosure cf. SFDR	<a href="#">Link</a>	<a href="#">Link</a>	<a href="#">Link</a>
	Website Disclosures cf. SFDR	<a href="#">Link</a>	<a href="#">Link</a>	<a href="#">Link</a>
Reporting - Strategy/ Sub-Fund level	Annual Accounts / Periodic Disclosure cf. SFDR	<a href="#">Link</a>	<a href="#">Link</a>	<a href="#">Link</a>
	Quarterly Sustainability Reports	<a href="#">Link</a>		
		CWW AM	CWW FM	
Policies	Responsible Investment Policy	<a href="#">Link</a>	<a href="#">Link</a>	
	Engagement and Proxy Voting Policy	<a href="#">Link</a>	<a href="#">Link</a>	
	Sustainability Risks Policy	<a href="#">Link</a>	<a href="#">Link</a>	
Reporting - Company level	PAI Statement	<a href="#">Link</a>	<a href="#">Link</a>	
	PRI Reporting	<a href="#">Link</a>		

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