

Nordic Ecolabelling for
Investment funds and investments products



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Criteria document for consultation

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Addresses

In 1989, the Nordic Council of Ministers decided to introduce a voluntary official ecolabel, the Nordic Swan Ecolabel. These organisations/companies operate the Nordic Ecolabelling system on behalf of their own country's government. For more information, see the websites:

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What is a Nordic Swan Ecolabelled investment fund / investment product?

The Nordic Swan Ecolabel provides investors with guidance about investments that influence companies and financial markets to act in a more sustainable way in the long run.

A Nordic Swan Ecolabelled fund has to comply with requirements within four areas: the exclusion of the most unsustainable industries and companies, the inclusion of more sustainable companies, the exercise of active ownership, and acting in a transparent manner.

1. Exclusion

The requirements to exclude unsustainable industries and companies send a clear signal to both society and investors. A Nordic Swan Ecolabelled fund:

- May not invest in companies extracting, transporting, refining, providing service to or generating electrical power from fossil fuels or uranium.
- May not invest in businesses which do not fulfil ILO's fundamental principles†, violate human rights†, cause severe environmental damage† and/or are guilty of gross corruption†.
- May not invest in companies involved in the making or selling of controversial†, conventional weapons† or military products for combat†.
- May not invest in companies producing or selling tobacco products†.

2. Inclusion

The inclusion requirements increase demand for companies that have structured sustainability practices. A Nordic Swan Ecolabelled fund:

- Has conducted an assessment of environmental, social and governance issues (ESG analysis†) on all holdings†.
- Can only invest in companies in sectors with high GHG emissions if the company meets strict reduction requirements or in case the fund manager engages with the company to support their climate actions.
- Can only invest in companies where biodiversity is an essential ESG issue if the fund manager explains biodiversity risks and opportunities and engages with the five largest applicable holdings.
- Invests at least 70% in assets that have strong ESG practices.
- Promotes companies that are aligned with the EU Taxonomy, UN Sustainable Development Goals, or are committed to a Science Based Target on GHG emissions.

3. Active Ownership

The active ownership requirements support the fund manager's opportunity to influence holdings in a more sustainable direction. Therefore, a Nordic Swan Ecolabelled fund:

- Must engage with companies that are accused of breaching global norms and disclose how they assess the situation, if the holding is kept.
- Is rewarded for voting at annual general meetings.
- Is rewarded for proactive engagement and dialogue with its holdings on sustainability issues.

4. Transparency

The transparency requirements seek to influence the fund manager and the fund holdings to operate in a more sustainable manner. A Nordic Swan Ecolabelled fund will disclose a quarterly report on all of its holdings and in an annual sustainability report include e.g.:

- A brief description of ESG† risks and opportunities for the ten largest holdings, as well as for the five largest holdings for which GHG and biodiversity, respectively, is an essential issue.
- A summary of the engagements† and dialogue with the ten largest holdings.

Disclaimer for investment funds and investment products

A Nordic Swan Ecolabelled fund is managed so that it can influence companies and financial markets in a more sustainable direction. These requirements and the certification process cover the investment fund on an overall basis and are therefore no guarantee for each individual holding. Nordic Ecolabelling requirements do not cover financial risks or returns. For more information and specifications about the criteria, see each requirement further in this document.

Note. If a definition is required for a word or text in the requirement, the word/text is underlined and marked with a †, which refers to the Terms and definitions chapter, that can be found at the end of this criteria document.

Why choose the Nordic Swan Ecolabel?

- The investment fund or investment product may use the Nordic Swan Ecolabel trademark for marketing purposes. The Nordic Swan Ecolabel is a very well-known and highly respected trademark, especially in the Nordic region.
- The Nordic Swan Ecolabel is a simple way of communicating environmental work and commitment to customers.
- The Nordic Swan Ecolabel means that the fulfilment of the criteria has been checked by an external third party. This is a unique feature in the Nordic fund market.

What can carry the Nordic Swan Ecolabel?

UCITS† funds can be awarded the Nordic Swan Ecolabel provided that at least 50% of assets are held in listed equities†, corporate debt† and/or other eligible green bonds (see definition of Green bonds†).

The fund must be an article 8 or article 9 fund according to EU regulation 2019/2088 on sustainability-related disclosures in the financial services sector.

Index funds† shall base a part of their application on an index that met all relevant exclusion and inclusion criteria. An index provider can apply for a pre-evaluation by Nordic Ecolabelling of indexes so it can be used in multiple fund applications.

Investment products, e.g. AIFs†, fund of funds, insurance and pension products, can also apply for a Nordic Swan Ecolabelling licence provided that the product:

- invests solely into Nordic Swan Ecolabelled funds with exceptions specified in requirement O22.
- is approved for retail marketing by the local financial authorities in each of the Nordic countries where it is distributed.
- is at least open for quarterly trading (do not apply to Unit-linked insurance products).

How to apply

A natural starting point is that the fund manager assesses its capacity to fulfil the criteria. Next, the fund manager needs to contact the local Nordic Ecolabelling office in order to start a dialogue concerning the further process.

If you manage an investment product, start by assessing the possibilities to invest in a Nordic Swan Ecolabelled product and its capacity to withhold its licence. All information submitted to Nordic Ecolabelling is treated confidentially.

Application and costs

For information about the application process and fees for this productgroup, please refer to the respective national web site. For addresses see page 2.

What is required?

The application must consist of an application form/web form and documentation showing that the requirements are fulfilled.

The criteria for Investments Funds and Investments Products comprise a combination of obligatory requirements and point score requirements. The letter "O" and a number indicate obligatory requirements. These requirements must always be fulfilled. The letter "P" and a number distinguish point score requirements. Each requirement of this type gives a point score. These scores are then totalled. A minimum total score must be achieved to fulfil the licence constraints.

The text describes how the applicant shall demonstrate fulfilment of each requirement. There are also icons in the text to make this clearer. These icons are:

-  Upload
-  State data in electronic application
-  Requirement checked on site

To be awarded a Nordic Swan Ecolabel licence:

- All obligatory requirements must be fulfilled.
- A minimum of 6 of the total 11 points score must be achieved for equity funds and 5 of for bond funds.
- Nordic Ecolabelling must inspect the site.

All information submitted to Nordic Ecolabelling is treated confidentially. Suppliers can send documentation directly to Nordic Ecolabelling, and this will also be treated confidentially.

Licence validity

The Nordic Swan Ecolabel licence is valid providing the criteria are fulfilled and until the criteria expire. The validity period of the criteria may be extended or adjusted, in which case the licence is automatically extended and the licensee informed.

Revised criteria shall be published at least one year prior to the expiry of the present criteria. The licensee is then offered the opportunity to renew their licence.

On-site inspection

In connection with handling of the application, Nordic Ecolabelling normally performs an on-site inspection to ensure adherence to the requirements. For such an inspection, data used for calculations, original copies of submitted certificates, statistics, and similar documents that support the application must be available for examination.

Queries

Please contact Nordic Ecolabelling if you have any queries or require further information. See page 2 for addresses. Further information and assistance (such as calculation sheets or electronic application help) may be available. Visit the relevant national website for further information.

Overview of the criteria

To be awarded a Nordic Swan Ecolabel licence:

- All the O requirements must be met.
- At least 6 point scores (P requirements) must be achieved, but for bond funds 5 point scores must be achieved.

Table 1 Summary of requirements. The table also shows the maximum points available for each P requirement.

O = obligatory P = point scores	Title	Maximum points available 11
1 General		
O1	Description of the fund	
O2	Holdings†	
O3	Derivatives and indirect holdings†	
2 Exclusion criteria		
O4	Extracting and refining fossil fuels and uranium	
O5	Generating power	
O6	Fossil fuel and uranium transportation and service	
O7	Controversial weapons†	
O8	Conventional weapons†	
O9	Tobacco	
O10	International norms and conventions	
O11	Government bonds – sanctions and international agreements	
O12	Government bonds – corruption	
3 Inclusion criteria		
O13	ESG analysis†	
O14	Reductions of GHG emissions in critical sectors	
O15	Preservation of biodiversity in critical sectors	
O16	Inclusion of ESG†	
P1	Enhanced analysis and inclusion	4 / 5
4 Active ownership		
O17	Engagement with non-conforming holdings	
P2	Systematic and targeted engagement†	3
P3	Regular voting	2
5 Reporting and transparency		
O18	Reporting of the fund's holdings	
O19	Fund sustainability report	
P4	Additional reporting	2 / 3
6 Points		
O20	Number of points	
7 Investment products		
O21	Description of the product	
O22	Investments	
O23	Other requirements for investment products	

8 Licence maintenance		
O24	Management system	
O25	Annual compliance check	
O26	Information about the Nordic Swan Ecolabel	
O27	Customer information when a fund is no longer Nordic Swan Ecolabelled	

1 General – investment funds

O1 Description of the fund

A brief description of the product intended for Nordic Swan Ecolabelling and how the product fulfils the definition of what can carry the Nordic Swan Ecolabel. The following must be included:

- Investment universe.
- ESG investment strategy/objective.
- Document showing the fund's compliance with the UCITS† directives.
- Information showing the fund's compliance with Article 8 or 9 in EU regulation 2019/2088 on sustainability-related disclosures in the financial services sector.

📄 Signed application form.

📄 Fund fact sheet and/or other document showing details according to O1.

🔗 Link to website where official documents are published.

O2 Holdings

The fund manager must provide a list of the holdings† in the fund. The list must include:

- Identification of the type of security (equity†, corporate debt†, qualified non-corporate green bond†, other) and the securities identification number (ISIN†).
- The date when an ESG analysis (see requirement O13 ESG analysis) was last performed for each holding.
- Information on how and by whom the ESG analysis was performed.
- Information showing that at least 50% of the total value of the portfolio is invested in listed equities, corporate debt and/or eligible green bonds.

📄 List of holdings as of the date of application, including the date when the ESG analysis was performed or last updated. The list must also include details of how and by whom the analysis was performed.

📄 Nordic Ecolabelling may request an updated list of holdings at any time.

📄 Information showing the average total proportion of invested in equities, corporate debt and/or eligible green bonds for the last 12 months. If the fund rules clearly quantify the boundaries for the proportion invested in equities, corporate debt and/or eligible green bonds, no separate documentation is required.

O3 Derivatives and indirect holdings

The criteria in this document apply to both direct and indirect holdings†.

For derivatives and indirect holdings, the following limitations apply:

- Indirect holdings used for long-term positions are allowed, as long as they comply with applicable exclusion and inclusion requirements.
- For purposes of everyday portfolio management, such as cash management, currency and interest rate hedging etc., the fund company shall have a process/routine to select and only use derivatives and indirect holdings† that support the principles of the excluded sectors (O4-O12). Such instruments that do not follow the exclusion criteria may amount to 5% of the portfolio.
- Sector-based instruments or products that are mainly exposed to excluded sectors or companies (see O4–O12) are not allowed.
- Short selling of companies is not allowed.

🏠 Fund policy or description of the use of derivatives and indirect holdings.

🏠 Process or routine to ensure that the use of derivatives and indirect holdings is aligned with relevant exclusion and inclusion criteria. If the fund rules clearly prohibit the use of derivatives and indirect holdings, no separate documentation is required.

2 Exclusion criteria

O4 Extracting and refining fossil fuels and uranium

The fund may not invest in companies which themselves or through entities they control† derive 5% or more of their revenue from extracting and/or refining for fuel:

- coal (all sorts of thermal coal, e.g. lignite or anthracite),
- natural gas (conventional and unconventional),
- crude oil (conventional and unconventional),
- uranium.

Companies that fulfil all of the following criteria are exempt and may be included in the fund.

- At least 90% of the company's energy sector CapEx† are on average for the last three consecutive years are in the renewable energy† sector.
- Revenue from renewable energy comprises at least 50% of the company's total revenue. This ratio may be calculated on average over the course of 1, 2 or 3 of the last financial years.
- The company has no revenue from tar sand, shale oil or shale gas, or other fracking activities and/or mining of oil shale and/or extraction in the Arctic region.

🏠 Fund policy or guideline.

🏠 Description of how the fund manager ensures access to data and information and how this data is processed in order to comply with the requirement.

🏠 List of any holdings† that fulfil the exemption criteria.

🕒 Nordic Ecolabelling will perform random sample checks at the time of application and as part of the annual reporting.

05 Generating power

The fund may not invest in energy companies which themselves or through entities they control† derive 5% or more of their revenue from generating power from:

- coal (all sorts of thermal coal, e.g. lignite or anthracite),
- natural gas (conventional and unconventional),
- crude oil (conventional and unconventional),
- uranium.

Companies that fulfil all of the following criteria are exempt and may be included in the fund.

- At least 90% of the company's energy sector CapEx† is in new capacity, on average for three consecutive years including the last financial year, are in the renewable energy† sector.
- Revenue† from renewable energy comprises at least 50% of the company's total revenue from power generation OR at least 50% of the company's energy production capacity is based on renewable sources. This ratio may be calculated on average over the course of 1, 2 or 3 of the last financial years.
- The company has no revenue from tar sand, shale oil or shale gas or other fracking activities and/or mining of oil shale and/or extraction in the Arctic region.

🏠 Fund policy or guideline.

🏠 Description of how the fund manager ensures access to data and information and how this data is processed in order to comply with the requirement.

🏠 List of any holdings† that fulfil the exemption criteria.

🕒 Nordic Ecolabelling will perform random sample checks at the time of application and as part of the annual reporting.

06 Fossil fuel and uranium transportation and service

The fund may not invest in companies which themselves or through entities they control† derive 5% or more of their revenue from relating to the transportation† or service† activities for:

- coal (all sorts of thermal coal, e.g. lignite or anthracite),
- natural gas (conventional and unconventional),

- crude oil (conventional and unconventional),
- uranium.

☞ Fund policy or guideline.

☞ Description of how the fund manager ensures access to data and information and how this data is processed in order to comply with the requirement.

☞ Nordic Ecolabelling will perform random sample checks at the time of application and as part of the annual reporting.

O7 Controversial weapons

The fund may not invest in companies which themselves or through entities that they control produce or sell nuclear, chemical, biological, cluster and/or (the Ottawa Treaty) land mine weapons, depleted uranium, white phosphorus or components solely intended for use in these weapons.

☞ Fund policy or guideline.

☞ Description of how the fund manager ensures access to data and information and how this data is processed in order to comply with the requirement.

☞ Nordic Ecolabelling will perform random sample checks at the time of application and as part of the annual reporting.

O8 Conventional weapons

The fund may not invest in companies which themselves or through entities they control† derive 5% or more of their revenue† from the production or sale of conventional weapons† and military products† used for combat. This also covers firearms for civilian use. However, production or sale of weapons or ammunition for hunting and competition are not excluded.

☞ Fund policy or guideline.

☞ Description of how the fund manager ensures access to data and information and how this data is processed in order to comply with the requirement.

☞ Nordic Ecolabelling will perform random sample checks at the time of application and as part of the annual reporting.

O9 Tobacco

The fund may not invest in companies which themselves or through entities they control† derive 5% or more of their revenue† from the production or sale/distribution of tobacco and tobacco products†.

☞ Fund policy or guideline.

☞ Description of how the fund manager ensures access to data and information and how this data is processed in order to comply with the requirement.

☞ Nordic Ecolabelling will perform random sample checks at the time of application and as part of the annual reporting.

O10 International norms and conventions

The fund may not invest in companies, including entities they control†, if there is an unacceptable risk that the company contributes to or is responsible for severe or systematic violations of one or more of the following:

- ILO's fundamental principles†.
- Human rights†.
- Severe environmental damage†.
- Gross corruption†.

In case an existing holding violates international norms or conventions, the fund must proceed according to the requirement O17 Engagement with non-conforming holdings.

🏠 Fund policy or guideline.

🏠 Description of how the fund manager ensures access to data and information and how this data is processed in order to comply with the requirement.

🔍 Nordic Ecolabelling will perform random sample checks at the time of application and as part of the annual reporting.

O11 Government bonds – sanctions and international agreements

The fund may not invest in government bonds issued by:

- Countries that are subject to EU or UN financial sanctions†.
- Countries which have not ratified the following:
 - The UN Convention on Biological Diversity†.
 - The Paris Agreement†.
- Fund policy or guideline.

🏠 Description of how the fund manager ensures access to data and information and how this data is processed in order to comply with the requirement.

🔍 Nordic Ecolabelling will perform random sample checks at the time of application and as part of the annual reporting.

O12 Government bonds – corruption

The fund may not invest in government bonds issued by countries which achieve a score worse than 40 in the currently valid Transparency International's Corruption Perceptions Index†.

🏠 Fund policy or guideline.

🏠 Description of how the fund manager ensures access to data and information and how this data is processed in order to comply with the requirement.

🔍 Nordic Ecolabelling will perform random sample checks at the time of application and as part of the annual reporting.

3 Inclusion criteria

O13 ESG analysis

All direct holdings† in the portfolio must have undergone ESG analysis† prior to investment (see information about indirect holdings† in O3).

The fund company shall present a methodology, which clearly demonstrates that environmental, social and governance are taken into account based on the materiality† of the issuer.

The ESG analysis shall be performed with a forward-looking perspective based on available ESG information. The analysis shall undergo a full update, according to a case by case approved methodology, on a yearly (12–15 months) cycle. In cases of corporate actions† or initial public offerings† (IPOs), the analysis may temporarily be performed in a less complex way.

The analysis shall be done with sufficient capacity in terms of time, knowhow, and coverage. It can be conducted by a well-reputed external party or internally, or as a combination of these.



Model for ESG analysis. The description of the model must include:

- a methodology that clearly demonstrates that environmental, social and governance factors are taken into account based on the materiality of the issuer.
- how the fund manager controls that there is an ESG analysis for each holding prior to investment.
- how the analysis is performed with a forward-looking perspective.
- how the fund manager controls that the respective ESG analysis undergo a full update on a yearly (12–15 months) cycle.
- the fund managers process in cases of corporate actions and IPOs.
- the capacity in terms of time and knowhow at the fund manager and (if applicable) at the service provider, including external products and services used to comply with the requirement.
- to what extent the analysis is done internally or by an external service provider and (if applicable) how they interact with each other.



ESG analysis template (please include a couple of example analyses).



Nordic Ecolabelling may ask for further information to check whether the service provider meets the above criteria.



Nordic Ecolabelling will perform random sample checks at the time of application and as part of the annual reporting.

O14 Reductions of GHG emissions in critical sectors

When investing in companies that have at least 5% revenue in the following NACE† code economic sectors: aluminium (C24.4.2), aviation (H51), automobiles (C29.1), cement (C23.5.1), mining (B7), pulp and paper (C17.1), shipping (H50), and steel (C24.1), one of the following musts either be verified or carried into effect.

- the reported GHG† emissions (at least scope† 1 and 2, also scope 3 for automobiles) of the company decrease annually by an average of at least 7 % per annum for at least three consecutive years or meet the industry-level emission reduction criteria for companies to be included in Paris-Aligned Benchmarks (PAB) according to the EU Commission Delegated Regulation C(2020)4757.
- commit to, publish and follow a Science Based Target† (including short-term or intermediate goals) for GHG emission reduction or a similar reduction target that follows a 1.5°C trajectory in an internationally approved methodology.
- capex† is on average for three consecutive years including the last financial year at least 90 % aligned with the environmental objectives for Climate change mitigation and Climate change adaption in the EU Taxonomy.
- the fund company shall engage with the issuer to stimulate their actions to reach at least one of the three thresholds above. The engagement must be carried out according to all parts of requirement P2.

🏠 Description of how the fund manager ensures continuous access to data and information and how this data is processed in order to comply with the requirement.

🏠 See P2.

O15 Conservation and sustainable use of biodiversity in critical sectors

When investing in companies that have at least 5% revenue in the following NACE† code economic sectors including their sub sectors: agriculture (A.01.1, A.01.2, A.01.3, A.01.4, A.01.5, A.03, C.10.41, C.20.2), construction/infrastructure (F.41, F.42), extractive industries (B.07, B.08), food and beverage (C.10, C.11), forestry and logging (A.02.1, A.02.2, C.16.1, C.17.1), and shipping (H.50), the following must be verified and carried into effect for the five largest holdings of the fund that operate in these sectors.

- The fund company has a detailed assessment on the issuers' ability for conservation and sustainable use of biodiversity (must be part of the ESG analysis methodology), and key findings shall be presented in the fund sustainability report (ref. O19).
- The fund company shall engage with the issuer to stimulate their preservation of biodiversity. The engagement must be carried out according to all parts of requirement P2.

🏠 Description of how the fund manager ensures continuous access to data and information and how this data is processed in order to comply with the requirement.

🏠 See P2.

O16 Inclusion of ESG

More than 70% of the fund, measured by the value of the fund, must be invested in holdings† with strong ESG practices† relative to its peers as identified in the ESG analysis (see O13).

The fund has clearly set criteria (assessment and/or rating) of what are defined as strong ESG practices at the issuer level.

The definition shall cover both what the issuer produces and how the issuer practices and performs with respect to environmental, social, and governance issues. E, S, and G can have different weights, but the overall assessment and/or rating must be strong for each issuer covered by the definition.

The definition(s) of strong ESG practices must be made readily available on the fund's website and in the fund's sustainability report (O19).

- ☞ Methodology for ESG rating/assessment and procedures for selecting investments with strong ESG practices.
- ☞ Description of what are defined as strong ESG practices.
- ☞ Description of how the fund manager ensures that the criteria are fulfilled at all times.
- ☞ Link to the webpage where the definition of strong ESG practices will be published.
- 🔍 Nordic Ecolabelling will perform a random sample check to ensure that the portfolio holdings are in line with the ESG analysis and inclusion criteria at the time of application and as part of the annual reporting.

P1 **Enhanced analysis and inclusion (max 4p for equity funds and max 5p for bond funds)**

If the fund has a clearly defined objective and methodology for identifying, assessing and including holdings† according to the following themes, points may be awarded in line with the table two below:

EU Taxonomy

The share of the portfolio that is aligned with the EU Taxonomy, based on the calculation formula in the documentation requirement.

Until criteria for environmental objectives 3-6 have been implemented in the EU Taxonomy, business areas listed in Appendix 2 may be used instead.

UN Sustainable Development Goals (SDGs)

The share of the portfolio invested in issuers with activities and products linked to the SDG Targets†, based on the calculation formula in the documentation requirement.

The fund must have pre-defined selection criteria that connect activities and products to individual SDG Targets.

Science Based Targets†

Share of issuers in the portfolio that has published an approved (set target) Science Based Target to reduce GHG emissions or in other environmental areas. Published commitment to a science-based target that is not verified by a third party shall be counted as ½. Similar methodologies as Science Based Target can be used after approval from Nordic Ecolabelling.

Climate alignment

The fund is managed in line with an internationally approved methodology for CO₂ emission reduction targets that is transparent and established by a third party, e.g. EU Paris-Aligned Benchmark (EU PAB).

On the fund's webpage, the fund manager must briefly describe the methodology, give easy access to an external link where investors can read more about the methodology, and provide a status of the alignment in the fund's sustainability report (See O19 Fund sustainability report).

Strong ESG practices

Share of issuers in the portfolio that reach the funds definition of strong ESG practices set in criterion O16 Inclusion of ESG.

For each theme, points are given if the weighted holdings in the fund (defined as the percentage of the fund's investment in a company relative to the total investment of the fund) is met at all times.

Table 2 Individual themes and thresholds. Points can be scored within each individual theme when the relevant threshold is met. For the themes Taxonomy, SDG and SBT, the same share of the portfolio may only be counted once.

	1p	2p	3p	4p
Taxonomy	≥ 10%	≥ 25%	≥ 50%	≥ 75%
SDG	≥ 50%	≥ 90%		
SBT (or similar)	≥ 25%	≥ 50%	≥ 75%	≥ 90%
Climate Alignment	1,5 °			
Strong ESG practice	≥ 90%			

Issuer-level alignment with the EU Taxonomy or the SDG Targets shall be calculated using the below formula. If figures on revenues/capex for an individual issuer cannot be documented by a third party or in an otherwise a reliable way, the share of alignment must be rounded down to the nearest ten percent.

$$G = \sum_{i=1}^n PC_i * \frac{GT_i + GC_i}{T_i}$$

Where:

G = % of total portfolio value invested according to EU Taxonomy/SDG Targets aligned economic activity (or 'portfolio greenness')

i = an individual company in which portfolio equities are held,

n = total number of companies in the portfolio

PC_i = % Portfolio contribution of company i

GT_i = Green/SDG Turnover (EUR) of company i of the last year prior the application

GC_i = the highest annual Green/SDG Capex (EUR) of company i over the past 3 years prior the application

T_i = Turnover (EUR) of company i of the last year prior the application

GT_i + GC_i ≤ T_i

- ☞ Description of the fund's objective and methodology for identifying, assessing and including holdings that fulfil the aforementioned specifications. If the objective and methodology is clearly outlined in requirement O13 ESG analysis, no separate documentation is required.
- ☞ Calculation on an issuer level showing the weighted average of the fund within a specified theme. The calculation must be performed in the calculation sheet from Nordic Ecolabelling according to the instructions provided therein. The data source of each individual percentage must be included in the calculation sheet.
- ☞ Description of how the fund manager controls that the approved level of alignment is maintained at all times.
- 🔍 Nordic Ecolabelling will perform random sample checks at the time of application and as part of the annual reporting, and may ask for more documentation

4 Active ownership

O17 Engagement with non-conforming holdings

When a fund manager receives information indicating that a holding is in breach with the obligatory exclusion criteria, a general description of the breach must be published on the fund's website if the holding is kept in the portfolio for more than a month.

If the non-conformity is verified, the fund manager must sell all of the holdings in the company within three months. However, if there is doubt regarding the non-conformity, or if the fund manager expects the issue to be resolved/rectified in the near future, the fund manager may keep the holding provided that the fund manager enters into an engagement† process with company in question.

Moreover, the fund manager must show how it systematically carries out and follows up on the engagement in a way that corresponds to the degree of breach. The fund manager may use a reputable external provider to carry out the engagement.

As long as there is doubt about the non-conformity or the issue is ongoing, the fund manager must explain on their website

- how they assess the situation,
- what actions the fund manager will take in order to address the issue,
- what result the fund manager expects to achieve, and
- when they estimate that the issue will be resolved.

If, after 24 months, the issue causing the possible non-conformity has not been successfully addressed and there is still an issue which implies non-conformity, the holdings must be sold.

The fund may use a traffic light model (or similar) delivered by a reputable external provider of ESG data as the source of information. If the fund receives information from more than one source, the source that shows the most extensive non-conformity should be used.

- ☰ Ownership policy or similar, and procedures showing how the fund manager will act in accordance with the requirement.

P2 Systematic and targeted engagement (max 3p)

The fund manager regularly engages with its holding companies in order to address ESG† issues, concerns or performance and can demonstrate:

- A clear and systematic method for selecting candidates and topics/themes for engagement.
- A description of resources and tools for conducting the engagement.
- Regular assessment of the achievement of the engagements

Engagements in collaboration with other stakeholders may be included when calculating the percentages. A collaborative engagement may be included in full, if the fund company acts as a lead investor. In other cases, collaborative engagements may be counted as ½.

Engagement with at least 10% (minimum 5 and maximum 50 holdings) of its holdings, in addition to holdings engaged with through O14 and/or O15: 1 point.

Engagement with at least 20% (minimum 10 and maximum 50 holdings) of its holdings, in addition to holdings engaged with through O14 and/or O15: 2 points.

If the above is fulfilled, an additional points can be earned if the fund manager can demonstrate that the engagement process also includes clear and specific ESG-related goals for the engagement, including a planned timeframe and a regular assessment of the achievement of goals in these areas:

The engagement and goal(s) shall have specific ESG themes in the areas of the UN Sustainable Development Goals (SDGs), the EU Taxonomy, and/or the Science Based Target initiative: 1 point.

- ☰ For the first section:

- Description of the engagement method, resources, and follow-up principles, and
- Description of planned or performed engagement activities in relation to the required thresholds. The document must include a high-level description of relevant ESG issues, concerns or performance at the holding level.

- ☰ For the second section:

- Description of the goal setting in relation to the selected ESG theme(s), timeframe, and the goal achieved by the holding.

P3 Regular voting (max 2 points)

The fund manager has a clearly written voting policy or public statement that promotes ESG†-related issues.

The fund manager does case by case inhouse assessments and:

- Identifies ESG-related issues and regularly votes at AGMs/EGMs for at least 25% of the holding (AUM or number of holdings†) in accordance with its voting policy/public statement: 1 point.
- Identifies ESG-related issues and regularly votes at AGMs/EGMs for at least 50% of the holding (AUM or number of holdings) in accordance with its voting policy/public statement: 2 points.

The fund manager uses a proxy voting service and

- Identifies ESG-related issues and regularly votes at AGMs/EGMs for at least 75% of the holding (AUM or number of holdings†) in accordance with its voting policy/public statement: 1 point.
- Identifies ESG-related issues and regularly votes at AGMs/EGMs for at least 100% of the holding (AUM or number of holdings) in accordance with its voting policy/public statement: 2 points.

- 🏠 Voting policy or statement.
- 🏠 Description of the fund manager's process for voting including the use of proxy services and / or the inhouse assessment for each AGMs\EGMs. Nordic Ecolabelling may request samples.
- 🏠 Voting records showing the extent of voting as a percentage (based on AUM or the number of holdings) where the fund held voting rights.

5 Reporting and transparency

O18 Reporting the fund's holdings

The fund manager must report on all holdings† in the Nordic Swan Ecolabelled fund on the fund's website at least once every quarter.

A lag of 45 days for publishing is allowed. The list can but does not have to include the weighting of each holding.

- 🔗 Link to the website(s) where the holdings will be published.
- 🔒 Will be controlled by Nordic Ecolabelling at the annual compliance check.

O19 Fund sustainability report

The fund manager shall no later than 31 March each year publish an annual sustainability report describing the ESG† activities and performance of the fund in the previous calendar year. The report will be appropriate for its primary target group of investors.

The report will be published on the fund manager's website, linked to where the ordinary information with regard to the fund is made available to (potential) investors. The report should be made available to unitholders in the main markets where the fund is distributed.

The report will cover the relevant reporting period and contain information about ESG-motivated activities relating to the holdings† in the Nordic Swan Ecolabelled fund. The report must include, as a minimum (if no activities are conducted please comment or explain:

1. An overview of non-conforming holdings that were excluded in the reporting period (also identifying the reason) in regard to O17 Engagement with non-conforming holdings.
2. A brief description (roughly 4 to 10 sentences) of what the fund defines as strong ESG practices.
3. A brief description (roughly 10 to 30 words) of the main ESG† risks and opportunities, and the sustainability impact of the holdings for the ten largest holdings†, and include a link to the holdings' websites.
4. A brief description (roughly 10 to 30 words) of the main engagement goals (if applicable) as well as the risks and opportunities concerning GHG emissions for the five largest emitters of GHG.
5. A brief description (roughly 10 to 30 words) of the main engagement goals as well as the risks and opportunities concerning conservation and sustainable use of biodiversity for the five largest holdings identified in O15.
6. A summary of the engagements† and dialogue with the ten largest holdings, if any. The summary shall at least include the name of the company and a description (roughly 10 to 30 words) of topics and issues discussed.
7. The extent of voting (number and percentage of AGM/EGMs at which the fund manager voted in the relevant period). (Not applicable to bond funds.)
8. Information stated in the EU REGULATION 2019/2088 on sustainability-related disclosures in the financial services sector or a link to the fund specific information can be found.

The above information can also be presented in a more general fund company report, but it must be described how the aforementioned aspects are achieved by the Nordic Swan Ecolabelled fund. The report can be produced as a separate document or on a webpage, and the selected format may also include other information with regards to the fund.

The report can also be produced by an external organisation. If the fund or the fund company has another financial year than the calendar year, the report may be published according to that period.

- 🏠 Reporting template or example report, outlining the minimum requirements.
- 🌐 Link to the website where the report(s) or the planned report will be published.
- 🔒 Will be controlled by Nordic Ecolabelling at the annual compliance check.

P4 Additional reporting (max 2p for equity funds and max 3p for bond funds)

The fund sustainability report (ref O19) includes the following:

- a) Brief reporting with regard to company engagements† for each engagement with at least five and up to ten holdings, including both goals and status for the engagement: 1 point.
- b) Voting records showing company-specific voting: 1 point.
- c) The sustainability impact of the fund in absolute terms in at least one area, e.g. CO₂ reduced (compared with benchmark), renewable GWh produced, clean water provided, km² of land sustainably managed (PEFC/FSC certified), etc.: 1 point.

The report of all holdings (ref O18) includes the following information:

d) a link to each holdings website: 1 point.

- 🏠 A brief description of how and what the fund intends to report on the company's engagements (if possible, include a reporting template).
- 🏠 A brief description of how the fund plans to disclose voting records.
- 🏠 A brief description of how the fund plans to report the sustainability impact.
- 🏠 Link to the website where the report or the planned report will be published.
- 🔗 Link to the website(s) where the holdings will be published.

O20 Number of points

The fund must achieve a minimum of 6 points.

Bond funds must achieve a minimum of 5 points.

The minimum point requirements must be met for as long as the licence is valid.

The following table contains a summary of which areas you can get points in.

Table 3 Summary of points

Point requirement	Number of points achieved	Maximum number of points
P1 Enhanced analysis and inclusion		4p for equity funds 5p for bond funds
P2 Systematic and targeted engagement		3p
P3 Regular voting		2p for equity funds 0p for bond funds
P4 Additional reporting		2p for equity funds 3p for bond funds
Sum		11p for equity funds 11p for bond funds

- 🏠 Appendix 1.
- 🔗 Will be controlled by Nordic Ecolabelling at the annual compliance check. See also O25.

6 Investment products

Requirements O21–O23 apply to other investment products than UCITS funds.

O21 Description of the product

A brief description of the investment product intended for Nordic Swan Ecolabelling and how the product fulfils the definition of what can carry the Nordic Swan Ecolabel. The following must be included:

- ESG investment strategy/objective.
- Document showing that the product is approved for retail marketing by the local financial supervisory authorities in each of the Nordic countries

where it is distributed and that it is, at a minimum, open for quarterly trading.

☞ Fact sheet and/or other document showing details according to O26. Unit-linked insurance products do not need to document quarterly trading.

☞ Signed application form.

O22 Investments

A Nordic Ecolabelled investment product can solely invest in Nordic Swan Ecolabelled funds. Exceptions can be made for investments in funds that can not apply for a Nordic Swan Ecolabelling licence because their share of listed equities†, corporate debt† and / or eligible green bonds† is lower than 50%. In such cases, the fund must document that it complies with O1–O18 and O24–O25 except for requirement O2, where the 50% threshold does not need to be met.

At least 50%, calculated as a weighted average, of the assets in the investment product must be held in listed equities, corporate debt and/or eligible green bonds. This can be shown as the average for a small family/group of products that collectively apply for a Nordic Swan Ecolabelling licence.

☞ List of current holdings including name and ISIN.

☞ Description of how the product manager ensures that the criteria are fulfilled at all times. Nordic Ecolabelling will perform a random sample check to ensure that the portfolio holdings are in line with the criteria at the time of application and as part of the annual reporting.

☞ Information showing the average total proportion of invested in equities, corporate debt and/or qualified non-corporate green bonds is at least 50%.

O23 Other requirements for investment products

The portfolio manager shall, on its website, provide easy access to the Nordic Swan Ecolabel fund sustainability reports for the funds in which the product is invested..

The portfolio manager must report on all holdings of the Nordic Swan Ecolabelled investment product according to O18.

If the investment product is an insurance product and it comprises more elements than asset management, the licensee must, when using the Nordic Swan Ecolabel in marketing, clearly describe that the Nordic Swan Ecolabel only applies to the asset management part of the insurance premiums.

The investors must be informed clearly on the former licensee's website if the product is no longer Nordic Swan Ecolabelled. The information must be presented on the website for at least twelve months thereafter.

☞ Link to website where sustainability reports can be found.

☞ Link to website where holdings can be found.

☞ Signed application form.

7 Licence maintenance

O24 Management system

The fund manager must have resources, capacity, competence and a management system to ensure that the quality of the Nordic Swan Ecolabelled fund does not deteriorate during the period of validity of the licence. The management system must be sufficient to document compliance with the Nordic Ecolabelling requirements.

- ☞ Description of resources, capacity and competence to show that the fund can comply with the Nordic Ecolabelling requirements during the period of validity of the licence.
- ☞ Organisation chart and a description showing who is responsible the licence, marketing of the Nordic Swan Ecolabelled products.
- ☞ Copy of relevant documents from the management system.
- ☞ Signed Appendix 1.

O25 Annual compliance check

The fund manager must perform an internal audit to ensure that the fund fulfils all relevant Nordic Ecolabelling criteria every twelve months. The result will be sent to Nordic Ecolabelling by no later than 31 March each year.

The internal audit:

- shall have a risk-based approach where the most relevant risks of non-compliance are identified
- can use other internal audits of methods and processes that are already in place for the Nordic Swan Ecolabelled fund in the audit report if they are reliable, has relevance and usability for this audit.
- must be carried out by internal audit, risk control, or compliance, i.e. a department that is independent from the upholding of the Nordic Swan Ecolabel licence.

The fund sustainability report in requirement O19 will also be sent to Nordic Ecolabelling.

The audit can be outsourced to an external organisation.

- ☞ Annual internal audit report. The report shall include the risk analysis identifying the most relevant risks of non-compliance.
- ☞ "Fund sustainability report" (as described in O19).

O26 Information about the Nordic Swan Ecolabel

When a fund manager uses the Nordic Swan Ecolabel in communication or marketing, there should be a clear reference to Nordic Ecolabelling's website: <http://www.nordic-ecolabel.org/investmentfunds> or to relevant national Nordic Ecolabelling website below:

Denmark: <https://www.ecolabel.dk/opsparing>

Finland: <https://joutsenmerkki.fi/teemat/sijoittaminen/>

Norway: <https://www.svanemarket.no/sparing>

Sweden: <https://www.svanen.se/spararen>

🏠 Signed Appendix 1.

O27 Customer information when a fund is no longer Nordic Swan Ecolabelled

The fund investors must be informed clearly on the fund manager's website if the fund is no longer Nordic Swan Ecolabelled. The information must be presented on the website for at least twelve months thereafter.

🏠 Signed application form.

Regulations for the Nordic Ecolabelling of services

To easily identify Nordic Swan Ecolabelled services, the licence number and a descriptive sub text shall always accompany the Nordic Swan Ecolabel.

The described sub text for 101 investment UCITS funds is: **Investment fund**

The described sub text for 101 investment products are: **Investment product, Unit-linked insurance, Fund portfolio, Fund of Fund, Pension Plan**

Other sub texts can be approved after dialogue with Nordic Ecolabelling and provided in your Nordic language.

More information on graphical guidelines, regulations and fees can be found at <https://www.svanen.se/en/for-licensees/rules-for-nordic-ecolabelling/> or at www.nordic-ecolabel.org/regulations/

Follow-up inspections

Nordic Ecolabelling may decide to check whether the product fulfils Nordic Ecolabelling requirements during the licence period. This may involve a site visit, random sampling or similar test.

The licence may be revoked if it is evident that the product does not meet the requirements.

Random samples may also be taken from the fund's website and tested against the exclusion criteria. If the requirements are not met, Nordic Ecolabelling may charge the analysis costs to the licensee.

Terms and definitions

AIF	Alternative Investment Fund according to AIFM Directive.
CapEx	CapEx means capital expenditure (investment) made along the life cycle of a project and assigned to the year when it is incurred. Included are investments in assets used for production, transformation and distribution; as well as for refurbishment, upgrades, new construction and the replacements of capital assets. Also included are investments made in Research & Development that are directed towards the development of new assets or production technologies.
Controversial weapons	chemical, biological, cluster and/or (the Ottawa Treaty) land mine weapons, depleted uranium, white phosphorus or components solely intended for use in these weapons
Conventional weapons	Small arms and light weapons as well as weapons of warfare that are not controversial weapons, such as bombs, shells, rockets, missiles, warships, military aircraft, tanks, ammunition etc.
Corporate action	A corporate action is an event initiated by a public company that triggers a change to the traded securities of a company. Examples of corporate actions include stock split, dividends, mergers and acquisitions, rights issues, and spin-offs.
Corporate debt	Corporate debt covers different types of bonds issued by private corporations.
Derivatives	Derivatives are financial instruments based upon an underlying financial asset. Common examples of derivatives include futures, forwards, options, and swaps.
Direct holdings	See also definition of Holdings. Direct holdings are investments in individual and identifiable stocks and bonds, as opposed to indirect holdings (see definition below).
Engagement	Engagement refers to interactions between the investor and current or potential investees (which may be companies, governments, municipalities, etc.) on ESG issues. Engagements are undertaken to influence (or identify the need to influence) ESG practices and/or improve ESG disclosure. This definition follows the same definition as outlined in PRI's reporting framework 2017.
Entities they control	The control over an entity through ownership of shares (>50%) or, according to the legal definitions in the market it operates, by being in a position to exercise control of the entity (for example dominate decision-making, directly or indirectly, in relation to the financial and operating policies of another entity.)
Equities	Equities are a share in ownership of a company.
ESG	Environmental, social and governance. ESG is a generic term used in capital markets and commonly used by investors to identify, analyse and evaluate issues and/or corporate behaviour. ESG factors are a subset of non-financial performance indicators which include sustainable, ethical and corporate governance issues such as managing the company's carbon footprint and ensuring there are systems in place to ensure accountability.
ESG analysis	A proactive analysis of ESG-relevant issues.
ETF	An exchange-traded fund (ETF) is an investment fund traded on stock exchanges, much like stocks. An ETF holds assets such as stocks, commodities, or bonds, and trades close to its net asset value over the course of the trading day. Most ETFs track an index, such as a stock index or bond index. ETFs may be attractive as investments because of their low costs, tax efficiency, and stock-like features. By 2013, ETFs were the most popular type of exchange-traded product.
EU or UN financial sanctions	http://eeas.europa.eu/cfsp/sanctions/consol-list/index_en.htm

Fund of funds	An investment strategy in which a fund invests in other types of funds (including ETFs).
GHG	<p>Greenhouse gases (GHG) are gases that absorb and emit radiant energy within the thermal infrared range, causing the greenhouse effect. Common greenhouse gases in the Earth's atmosphere are water vapor (H₂O), carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and ozone (O₃).</p> <p>Shall be calculated according to GHG Protocol Corporate Standard 3.51 or later https://ghgprotocol.org/corporate-standard or similar standard.</p>
Global SDG Indicators	SDG Indicators — SDG Indicators (un.org)
GMO crops	Production of genetically modified crops that are to be used by others in agriculture. The DNA of GMO crops has been modified using genetic engineering techniques, for example to gain resistance to certain pests or diseases.
Green bonds	<p>Green bonds are fixed-income financial instruments exclusive applied towards new and existing green projects.</p> <p>Eligible green bonds must follow the EU Green Bond Standard, the 2017 or later edition of the Green Bond Principles (GBP) or the Climate Bond Standard (CBS). In addition, eligible green bonds must be issued for investments named in Appendix 2 and be third-party verified. Eligible green bonds cannot be issued to investments within the business activities that are subject to exclusion</p>
Gross corruption	<p>Gross corruption exists if a company through its representatives:</p> <p>a) Gives or offers an advantage – or attempts to do so – so as to unduly influence</p> <p style="padding-left: 20px;">i) a public servant in the execution of public duties or in decisions which may bring the company an advantage, or</p> <p style="padding-left: 20px;">ii) a person in the private sector who takes decisions or has influence on decisions which may bring the company an advantage.</p> <p>b) Demands or receives bribes.</p> <p>and</p> <p>c) The corrupt acts mentioned in letters a and b are carried out in a systematic or comprehensive manner.</p>
Holdings	Holdings are the contents of an investment portfolio. Portfolio holdings may encompass a wide range of investment products, from stocks, bonds and mutual funds to options, futures and exchange-traded funds (ETFs), and relatively esoteric instruments such as private equity and hedge funds.
Human rights	http://www.un.org/en/universal-declaration-human-rights/ , UN Guiding Principles on Business and Human Rights
ILO's fundamental principles	<p>The International Labour Organization's principles cover freedom of association and the effective recognition of the right to collective bargaining, the elimination of forced or compulsory labour, the abolition of child labour and the elimination of discrimination in respect of employment and occupation.</p> <p>http://www.ilo.org/declaration/lang-en/index.htm</p>
Indirect holdings	Indirect holdings are investments in equities and bonds via products such as funds, ETFs, etc., as opposed to direct ownership in equities and bonds. (See also definition of Holdings and Direct holding.)
Index fund	An index fund (also index tracker) is a mutual fund or exchange-traded fund (ETF) designed to follow certain preset rules so that the fund can track specified basket of underlying investments. Those rules may include tracking prominent indexes like the S&P 500 or the Dow Jones Industrial Average or implementation rules, such as tax-management, tracking error minimization, large block trading or patient/flexible trading strategies that allows for greater tracking error but lower market impact costs. Index funds may also have rules that screen for social and sustainable criteria.
Initial public offering (IPO)	An initial public offering (IPO) is a type of public offering in which shares of company are sold to investors.

Intact forest landscape (IFL)	http://www.intactforests.org/
Investment universe	A fund will define its investment universe describing where it can invest its holdings. It can be defined by geography, sector or a combination of both.
ISIN	International Securities Identification Number.
NACE	Nomenclature statistique des Activités économiques dans la Communauté Européenne EU REGULATION (EC) No 1893/2006 Browse NACE Code
Materiality	A materiality assessment is the process of identifying, refining, and evaluating the potential ESG issues that could affect a business and/or its stakeholders.
Military products	Products that contribute to the lethality of combat and warfare. Such military products include for instance components of weapons, drones, surveillance systems, weapons training systems, weapons R&D, and other systems or services with a direct weapons-related application.
Renewable energy	Any naturally occurring, theoretically inexhaustible source of energy (such as biomass, solar, wind, wave, tidal, and hydroelectric power that is not derived from fossil or nuclear fuel).
Revenue	The income that a business has from its normal business activities, usually from the sale of goods and services to customers.
Scope 1 and 2	Scope 1: All direct GHG emissions Scope 2: Indirect GHG emissions from consumption of purchased electricity, heat or steam.
Serious or systematic human rights violations	Serious or systematic human rights violations may involve murder, torture, deprivation of liberty, forced labour, the worst forms of child labour and other child exploitation; serious violations of the rights of individuals in situations of war or conflict.
Service to fossil fuel and uranium	Activities that service, support, and/or deliver key components for use in the fossil fuel or nuclear power sector.
Severe environmental damage	Projects or activities with potential significant adverse environmental risks and/or impacts that are diverse, irreversible or unprecedented. Considerations for deciding severity could also include the following: – the damage is a result of violations of national laws or international norms, – the company has neglected to act in order to prevent the damage, – the company has not implemented adequate measures to rectify the damage, – it is probable that the company's unacceptable practice will continue.
Science Based Target	Science-Based Targets are a set of goals developed by a business to provide it with a clear route to reduce greenhouse gas emissions. An emissions reduction target is defined as 'science-based' if it is developed in line with the scale of reductions required to keep global warming below 2C from pre-industrial levels.
Strong ESG practice	The term "strong ESG practise" does not have any objective definition. It will be up to the individual fund manager to establish internal criteria within their ESG analysis tool to differentiate between holdings with ESG performance ranging from weak to strong. Nordic Ecolabelling would expect that holdings must at least score in the better half (top 50%) in the analysis in order to be described as "strong ESG practice".
The Paris Agreement	http://unfccc.int/paris_agreement/items/9444.php
The UN Convention on Biological Diversity	https://www.cbd.int/information/parties.shtml
Tobacco products	Tobacco products include cigarettes, cigars, e-cigarettes, snuff, snus, pipe tobacco, and chewing tobacco etc.
Transparency International's Corruption Perceptions Index	http://www.transparency.org/

Transportation of fossil fuels and uranium	Activities that are involved in the road, rail and sea transportation of fossil fuels or uranium, such as shipping, rail freight, oil and gas pipelines, etc.
UCITS	<p>UCITS is an abbreviation for the mutual funds covered by the EU's Mutual Fund Directive (Council Directive 85/611/EEC 20 December 1985). UCITS stands for "Undertakings for Collective Investments In Transferable Securities". UCITS is a concept that accepts collective locations from shareholders, that will be, in the Fund's name, placed in highly liquid securities.</p> <p>It follows from the directive that UCITS funds that have been approved in one country in the European economic area is allowed to market in other EEA countries.</p>
Unconventional natural gas and oil	Fossil fuels that are extracted from unconventional resources, e.g. shale gas, shale oil, tar sand.

Appendix 2 Sustainable business areas

Business areas that can be used when applying for points in requirement P1.

- Climate change mitigation activities compliant with the EU Taxonomy
- Climate change adaptation activities compliant with the EU Taxonomy
- Water infrastructure in developing countries (potable water and sewerage infrastructure). (To be replaced by activities in the EU Taxonomy complying with Sustainable use and protection of water and marine resources).
- Pollution control (products and services for air or soil pollution prevention, reduction and clean-up, environmental testing and monitoring, etc.). (To be replaced by activities in the EU Taxonomy complying with Pollution prevention and control).
- Waste/secondary resource management and technologies (waste collection, processing, recycling, reuse, energy recovery, hazardous waste management etc.). (To be replaced by activities in the EU Taxonomy complying with Transition to a circular economy).
- Environmental support services (consulting, planning and certification).
- Sustainable food, agriculture & forestry (production and distribution of organic food, and FSC- and/or PEFC-certified forestry). Note: the following forest products may not be included: tropical timber or intact