

ANNEX V

Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852.

Product name: Handelsbanken Hållbar Energi

Legal entity identifier: 549300IR251IBEIXZ124

Sustainable investment

means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainable investment objective

Did this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> Yes	<input checked="" type="radio"/> <input type="radio"/> <input type="checkbox"/> No
<input checked="" type="checkbox"/> It made sustainable investments with an environmental objective: 98.77%	<input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
<input checked="" type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> It made sustainable investments with a social objective: ___%	<input type="checkbox"/> with a social objective
	<input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments



Sustainability indicators

measure how the sustainable objectives of this financial product are attained.

To what extent was the sustainable investment objective of this financial product met?

The fund is a global equity fund with the objective of making investments in companies whose economic activities contribute to the attainment of the Sustainable Development Goals in Agenda 2030 in general and, in particular, Goal 7: Affordable and clean energy for all; and Goal 13: Climate action. The fund's objective will be attained through sustainable investments in companies that develop or use technologies and methodologies to ensure access to sustainable energy for all or to limit global warming by directly or indirectly limiting emissions of carbon and other greenhouse gases, including companies that contribute positively to energy efficiency through the use of alternative energy sources and environmental technologies.

The fund's goal is to be achieved through sustainable investments, meaning investments in companies whose economic activities are deemed to contribute to an environmental or social objective in line with the Sustainable Development Goals of Agenda 2030 and/or activities aligned with the EU Taxonomy.

The contribution to the environmental objectives defined in the EU Taxonomy have been measured through the companies' estimated alignment with the taxonomy in terms of revenue. In regard to the other environmental and social objectives, the contribution to these goals has been measured through the companies' revenue from products and services that, according to the fund company's assessment, can be considered to contribute to the Sustainable Development Goals of the 2030 Agenda. Qualifying as a sustainable investment requires an estimated 20% taxonomy aligned revenue, or a 25% revenue from products and services that contribute to the Sustainable Development Goals of the 2030 Agenda. In certain cases, the assessment of the company's contribution to environmental or social objectives is based on different criteria than a minimum level of revenue, such as capital expenditure or operational expenditure (CAPEX/OPEX).

The fund's share of sustainable investments in 2024 amounted to 98.77%, based on an average outcome of the fund's sustainable investments per quarter.

Through these sustainable investments, the fund contributed to the following objectives:

Environmental objectives defined in the EU Taxonomy with technical screening criteria
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Other environmental objectives

Conserving Water (SDG 6), Contributing to Sustainable Energy Use (SDG 7), Promoting Sustainable Buildings (SDG 11), Optimizing Material Use (SDG 12), Mitigating Climate Change (SDG 13).

The fund has also promoted environmental objective through the exclusion of companies and issuers with activities linked to fossil fuel as well as companies and issuers with verified violations of international norms and conventions related to environment. This is followed up with the indicators:

- Carbon footprint
- Greenhouse gas intensity
- Share of investments in companies that are active within the fossil fuels sector.

Social objectives

Providing Basic Services (SDG 1, 8, 9, 10 & 11), Combating Hunger and Malnutrition (SDG 2), Ensuring Health (SDG 3), Safeguarding Peace (SDG 16).

The fund has also promoted the following social objective:

- Good Health and Well-being (SDG 3) by excluding companies and issuers with activities linked to alcohol, tobacco, cannabis and commercial gambling.
- No poverty (SDG 1) by excluding companies and issuers with activities linked to weapons and military equipment, including controversial weapons and nuclear weapons.
- Gender equality (SDG 5) by excluding companies and issuers with activities linked to pornography.
- Decent work and economic growth (SDG 8) by excluding companies and issuers with activities linked to tobacco and pornography .
- Peace, justice and strong institutions (SDG 16) by excluding companies and issuers with activities linked to weapons and military equipment, including controversial weapons and nuclear weapons.

The fund has also promoted social objective by excluding companies and issuers that have been confirmed to act in violation of international norms and conventions related to human rights, labor law or the fight against corruption and bribery.

The fund has also promoted environmental and/or social characteristics through active corporate governance and dialogue. To support the analysis and prioritization within this work, the fund company has used an internally-developed tool linked to the principle adverse impacts on sustainability factors (Principle Adverse Impact, PAI).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social

● **How did the sustainability indicators perform?**

The sustainability indicators in the table below are a selection of the indicators used to measure the attainment of the environmental or social characteristics promoted by the fund.

The indicator “proportion of sustainable investments” shows what proportion of the fund is considered to have sustainable investments that promote one or several of the environmental and/or social objectives.

The indicators, “carbon footprint”, “greenhouse gas intensity” and “the proportion of investments within the fossil fuels sector”, show the emissions from the fund’s investments.

The indicator for violations of the UN’s global agreements and OECD’s guidelines shows how the fund avoids investing in activities that conflict with international guidelines.

Calculation methodology:
All of the indicators shown below were calculated based on an average of the fund’s investments per quarter.

The sustainability indicators in the table are not subject to approval by an auditor or review by a third party.

Metric	Value 2024	Value 2023	Value 2022
Share of sustainable investments (%)	98.77%	97.95%	97.04%
Carbon footprint (Scope 1,2,3) (tCO2eq/EURm)	1,440.45	2,047.32	1,852.37
GHG Intensity (Scope 1, 2, 3) (tCO2eq/EURm)	2,655.89	6,573.41	9,421.11
UN Global Compact principles and OECD Guidelines for Multinational Enterprises: Share of investments in investee companies that have been involved in violations of the UN Global Compact principles and OECD Guidelines for Multinational Enterprises (%)	0.00%	0.00%	0.00%
Share of investments in companies that are active within the fossil fuels sector (%)	1.81%	0.00%	0.00%

● **...and compared to previous periods?**

Refer to the table above for a comparison to previous periods.

The fund company does not invest in companies deemed to have verified violations of the UN Global Compact and the OECD Guidelines for Multinational Enterprises, nor does the fund company make investments with exposure to banned or controversial weapons or companies with revenue in excess of 5% that is derived from activities (production/distribution) linked to weapons and military equipment, alcohol, tobacco, cannabis, pornography, commercial gambling and fossil fuels, with the exception of any investments in approved transition companies. In exceptional cases, an existing holding can obtain a modified analysis, in which case the holding will be sold as soon as possible, although an exposure may exist during the short period between the changed signal and the sale.

● **How did the sustainable investments not cause significant harm to any sustainable investment objective?**

To be defined as a sustainable investment, a company must contribute positively to an environmental or social goal, while not causing significant harm to any other environmental or social objective. The following principles were applied during the reference period to ensure that the sustainable investments did not cause significant harm to any of the environmental or social objectives:

- The company’s other activities are systematically evaluated against established thresholds to determine any significant counteraction to the

and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainable Development Goals.

- Exclusion of certain sectors, such as fossil fuels and controversial weapons, limits significant harm on environmental and social objectives.
- Exclusion of companies with confirmed violations of international norms and conventions limits significant harm on environmental and social objectives.
- Established thresholds for biodiversity PAI 1.7 and high-emission sectors that are of particular relevance to PAI 1.1-1.4.

How were the indicators for adverse impacts on sustainability factors taken into account?

The indicators for adverse impacts on sustainability factors (PAI) are taken into account by excluding certain investments linked to sectors for fossil fuels, PAI 1.4; banned weapons, PAI 1.14; and companies with confirmed violations of international norms and conventions related to human rights, employee rights or anti-corruption and anti-bribery, PAI 1.10.

Beyond these, there are established thresholds for additional indicators, which include PAI 1.7 for biodiversity as well as high-emission sectors that are of particular relevance to PAI 1.1-1.4.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

During the reference period, the fund's investments have been aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. This has been ensured through applying the fund company's exclusion strategy.



How did this financial product consider principal adverse impacts on sustainability factors?

The fund company considers the principal adverse impact on sustainability factors (PAI) for direct investments as well as for funds in which a screening is conducted. This is done through the usage of the fund company's internal PAI tool, where potential adverse impacts are identified and analyzed. Certain indicators for adverse impacts on sustainability factors (PAI) are taken into account by excluding certain investments linked to sectors for fossil fuels, PAI 1.4; banned weapons, PAI 1.14; and companies with confirmed violations of international norms and conventions related to human rights, employee rights or anti-corruption and anti-bribery, PAI 1.10. Beyond these, there are established thresholds for additional indicators, which include PAI 1.7 for biodiversity as well as high-emission sectors that are of particular relevance to PAI 1.1-1.4. Other adverse impacts on sustainability factors are managed through active corporate governance and dialogue.

Below, the indicators that have been analyzed for the fund are disclosed:

Adverse sustainability indicator & metric	Value 2024	% coverage 2024	Value 2023	% coverage 2023	Value 2022	% coverage 2022
1.1 GHG Emissions - Scope 1 GHG emissions (tCO2eq)	51,879.85	98.17%	110,677.01	96.25%	128,422.24	94.85%
1.1 GHG Emissions - Scope 2 GHG emissions (tCO2eq)	23,258.35	98.17%	69,923.40	96.25%	68,122.84	94.85%
1.1 GHG Emissions - Scope 3 GHG emissions (tCO2eq)	0.41	98.17%	0.41	96.25%	4,957,337.97	94.85%
1.1 GHG Emissions - Scope 1+2 GHG emissions (tCO2eq)	0.06		0.06		196,544.97	
1.1 GHG Emissions - Scope 1+2+3 GHG emissions (tCO2eq)	2,005,386.40		5,199,667.23		5,153,882.94	
1.2 Carbon Footprint - Carbon Footprint Scope 1+2+3 (tCO2eq/EURm)	1,440.45	98.17%	2,047.32	96.25%	1,852.37	94.85%
1.2 Carbon Footprint - Carbon Footprint Scope 1+2 (tCO2eq/EURm)	53.71	98.17%	73.07	96.25%	70.64	94.85%

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Adverse sustainability indicator & metric	Value 2024	% coverage 2024	Value 2023	% coverage 2023	Value 2022	% coverage 2022
1.3 GHG intensity of investee companies - GHG Intensity Scope 1+2+3 (tCO2eq/EURm)	2,655.89	95.32%	6,573.41	93.70%	9,421.11	90.09%
1.3 GHG intensity of investee companies - GHG Intensity Scope 1+2 (tCO2eq/EURm)	127.89	95.32%	227.39	93.70%	259.86	90.09%
1.4 Exposure to companies active in the fossil fuel sector - Share of investments in companies active in the fossil fuel sector (%)	1.81%	96.89%	0.00%	95.51%	0.00%	92.05%
1.5 Share of non-renewable energy consumption and Production - Share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage (%)	71.48%	55.62%	82.65%	52.01%	82.06%	52.83%
1.5 Share of non-renewable energy consumption and Production - Share of non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage (%)	14.92%	45.99%	19.72%	36.24%	17.90%	36.47%
1.6 Energy consumption intensity per high impact climate sector - Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector (GWh/EURm)						
1.6 Energy consumption intensity per high impact climate sector - Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector (GWh/EURm) - A - AGRICULTURE, FORESTRY AND FISHING	0.55		0.48		0.50	
1.6 Energy consumption intensity per high impact climate sector - Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector (GWh/EURm) - B - MINING AND QUARRYING			1.16		6.69	
1.6 Energy consumption intensity per high impact climate sector - Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector (GWh/EURm) - C - MANUFACTURING	1.02		1.23		1.39	
1.6 Energy consumption intensity per high impact climate sector - Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector (GWh/EURm) - D - ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	1.29		1.98		1.92	
1.6 Energy consumption intensity per high impact climate sector - Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector (GWh/EURm) - E - WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES			0.00			
1.6 Energy consumption intensity per high impact climate sector - Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector (GWh/EURm) - F - CONSTRUCTION	4.38		122.44		102.49	
1.6 Energy consumption intensity per high impact climate sector - Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector (GWh/EURm) - G - WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	0.02		0.00			

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Adverse sustainability indicator & metric	Value 2024	% coverage 2024	Value 2023	% coverage 2023	Value 2022	% coverage 2022
1.6 Energy consumption intensity per high impact climate sector - Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector (GWh/EURm) - H – TRANSPORTATION AND STORAGE			0.00			
1.6 Energy consumption intensity per high impact climate sector - Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector (GWh/EURm) - L – REAL ESTATE ACTIVITIES			0.00			
1.7 Activities negatively affecting biodiversity-sensitive areas - Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas (%)	3.55%	97.01%	3.32%	97.15%	0.00%	93.73%
1.8 Emissions to water - Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average (t/EURm)	0.00	16.32%	3.43	17.28%	5.14	18.04%
1.9 Hazardous waste ratio - Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average (t/EURm)	0.30	96.33%	6.60	85.17%	25.48	57.89%
1.10 Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises - Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises (%)	0.00%	98.78%	0.00%	97.95%	0.00%	97.04%
1.11 Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises - Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises (%)	56.56%	96.46%	58.46%	93.01%	58.94%	78.22%
1.12 Unadjusted gender pay gap - Average unadjusted gender pay gap of investee companies (%)		0.00%	0.00%	0.00%		0.00%
1.13 Board gender diversity - Average ratio of female to male board members in investee companies (%)	31.62%	96.46%	29.36%	97.08%	27.85%	93.73%
1.14 Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) - Share of investments in investee companies involved in the manufacture or selling of controversial weapons (%)	0.00%	98.78%	0.00%	97.95%	0.00%	97.04%
2.4 Investments in companies without carbon emission reduction initiatives - Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement (%)	47.21%	96.56%	48.51%	97.08%	50.21%	93.73%
3.9 Lack of a human rights policy - Share of investments in entities without a human rights policy (%)	10.27%	96.46%	10.93%	94.78%	12.25%	86.91%
1.15 GHG Intensity - GHG intensity of investee countries (KtonCO2eq/EURm)		0.00%	0.00	0.00%		0.00%

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Adverse sustainability indicator & metric	Value 2024	% coverage 2024	Value 2023	% coverage 2023	Value 2022	% coverage 2022
1.16 Investee countries subject to social violations - Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law.		0.00%	0.00%	0.00%		0.00%



What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 2024-01-01 to 2024-12-31

Largest investments	Sector	% Assets 2024	% Assets 2023	% Assets 2022	Country
Bakkafrost	Agriculture, Forestry and Fishing	4.58%	3.60%	3.61%	FO
HA Sustainable Infrastructure	Financial and Insurance Activities	4.31%	3.08%	2.78%	US
Prysmian	Manufacturing	4.30%	1.95%	1.46%	IT
BYD	Manufacturing	4.12%	1.92%	0.72%	CN
Taiwan Semiconductor	Manufacturing	3.98%	2.32%	1.97%	TW
EDP Renovaveis	Electricity, Gas, Steam and Air Conditioning Supply	3.76%	3.50%	3.41%	ES
Vestas Wind Systems	Manufacturing	3.75%	3.42%	3.15%	DK
Cadeler	Construction	3.64%	1.64%	1.39%	DK
Iberdrola	Electricity, Gas, Steam and Air Conditioning Supply	3.44%	3.22%	2.92%	ES
Fluence Energy A	Manufacturing	3.41%	1.37%	0.88%	US
Amperex Tech A	Manufacturing	3.36%	1.87%	1.36%	CN
Darling Ingredients	Manufacturing	2.92%	4.22%	4.24%	US
Ameresco	Construction	2.90%	2.46%	2.90%	US
Enel	Electricity, Gas, Steam and Air Conditioning Supply	2.82%	3.54%	3.09%	IT



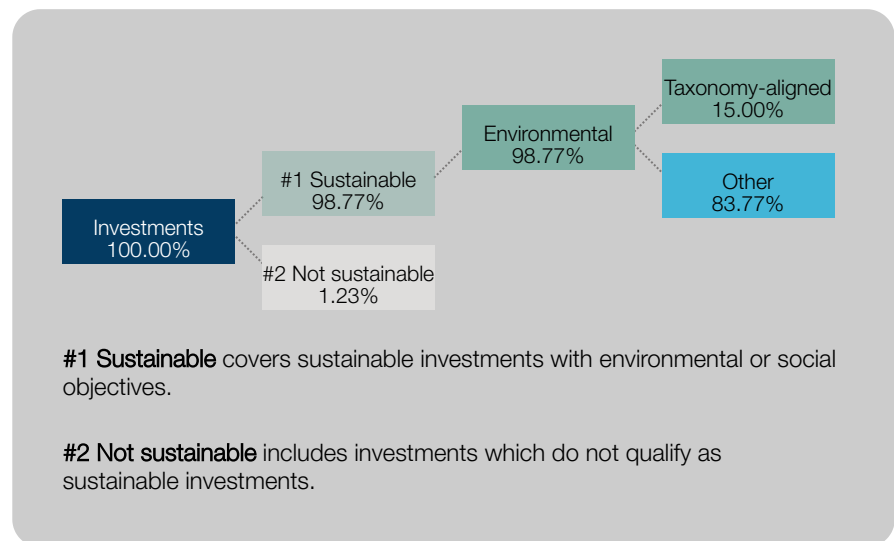
What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

What was the asset allocation?



In which economic sectors were the investments made?

Sector/Industry code	Sector/Industry name	Sum
A	Agriculture, Forestry and Fishing	4.58%
03	Fishing and aquaculture	4.58%
B	Mining and Quarrying	0.00%

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Sector/Industry code	Sector/Industry name	Sum
C	Manufacturing	57.47%
10	Manufacture of food products	4.31%
19	Manufacture of coke and refined petroleum products	0.09%
20	Manufacture of chemicals and chemical products	0.78%
23	Manufacture of other non-metallic mineral products	1.32%
25	Manufacture of fabricated metal products, except machinery and equipment	1.80%
26	Manufacture of computer, electronic and optical products	17.24%
27	Manufacture of electrical equipment	20.55%
28	Manufacture of machinery and equipment n.e.c.	7.24%
29	Manufacture of motor vehicles, trailers and semi-trailers	4.12%
D	Electricity, Gas, Steam and Air Conditioning Supply	21.08%
35	Electricity, gas, steam and air conditioning supply	21.08%
F	Construction	6.87%
42	Civil engineering	6.87%
G	Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	0.31%
46	Wholesale trade	0.31%
J	Information and Communication	1.49%
58	Publishing activities	0.53%
62	Computer programming, consultancy and related activities	0.96%
K	Financial and Insurance Activities	4.31%
64	Financial service activities, except insurance and pension funding	4.31%
M	Professional, Scientific and Technical Activities	0.95%
74	Other professional, scientific and technical activities	0.95%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

Enabling activities directly enable other activities to make a substantial contribution



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The companies have, where possible, started to report the extent to which their operations are compatible with the EU taxonomy. In addition to reported data, estimated data is available. The fund company has made assessments that this estimated data can be considered sufficiently reliable to be used to assess whether the company contributes to an environmental goal defined in the EU taxonomy and can on this basis be considered a sustainable investment in line with SFDR article 2 (17).

The report below is not subject to approval by the auditor or review by a third party.

In the fund company's taxonomy reporting, only the taxonomy compatibility reported by the companies themselves is reported. The fund's share of taxonomy-compliant investments for 2024 amounted to 20.38% based on the companies' turnover.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?**¹

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214

to an environmental objective.

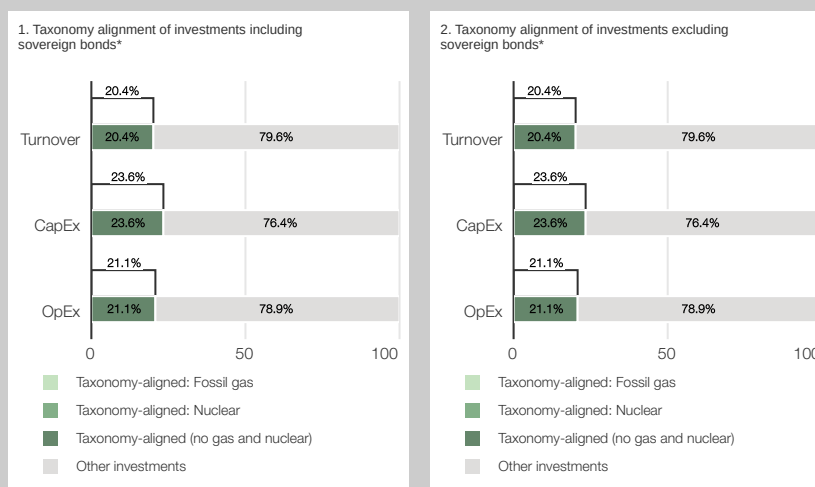
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Yes:

In fossil gas In nuclear energy

No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



● **What was the share of investments made in transitional and enabling activities?**

The fund's share of taxonomy-compliant investments for 2024 amounted to 0.00% in transition activities and 6.53% in enabling activities.

● **How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**

In 2024, the fund's proportion of taxonomy-aligned investments totaled 20.38%.

The fund reported taxonomy-aligned investments for the first time in 2023 and these totalled 4.24%.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The fund is able to invest in economic activities that currently cannot be classified as aligned with the EU Taxonomy. This occurs, among other reasons, due to the access to reported data from companies being insufficient.

At the end of the reference period, the fund had 83.77% of sustainable investments with an environmental objective not aligned with the EU Taxonomy.

activities under the EU Taxonomy.

Additionally, the fund had 15.00% of sustainable investments that the fund company, based on estimated and/or reported data, deems as contributing to an environmental objective aligned with the EU Taxonomy (but which cannot with sufficient certainty be classified as compatible with the EU Taxonomy as such).

Additionally, the fund had 15.00% of sustainable investments that the fund company, based on estimated and/or reported data, deems as contributing to an environmental objective aligned with the EU Taxonomy (but which cannot with sufficient certainty be classified as compatible with the EU Taxonomy as such).



What was the share of socially sustainable investments?

During the reference period, the fund had 0.00% of sustainable investments with a social objective.

It should be noted that a company can contribute to both environmental and social objectives through its economic activities. However, for the disclosure of sustainable investments, a company's economic activities can only be disclosed as contributing to either an environmental objective or a social objective.



What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

During the reference period, the fund held cash for liquidity and risk management. No environmental or social safeguards have been deemed necessary for this position.



What actions have been taken to attain the sustainable investment objective during the reference period?

The fund's investments were in line with its investment focus, i.e., global investments in companies that develop or use technologies and methodologies to limit global warming by directly or indirectly limiting carbon emissions and other greenhouse gases, including companies that can contribute positively to energy efficiency.

The fund company has followed the political and regulatory developments in the markets where investments are made within the US, Europe and Asia. The company valuations can periodically be extremely volatile, depending on the market's interpretation of various political statements or changes in regulatory conditions. One example of this occurred during Q4 2024 when the results of the US presidential election created major fluctuations in the markets, particularly for many climate equities, which reflected the initial uncertainty associated with the incoming president's rhetoric about support for the green transition.

One area that has gained increased attention is the rapid growth in the use of AI and the major expansion of data centers, which has led to a higher demand for electricity production. This has further heightened the need to strengthen the electricity grid and increase the energy capacity from cost-effective energy sources, such as solar and wind power, which can be expanded quickly. The fund has a significant number of investments that benefit from these trends and the exposure was increased in the period. A number of trips to parts of the US and Europe were made during the year to increase the understanding of context-specific sustainability factors, risks and opportunities. For example, sustainability specialists visited one of the portfolio companies' salmon farms to better understand and discuss risk management as well as engagement related to the environment and fish health, but to also understand the sustainability and productivity effects of the fund's previous capital contributions more thoroughly. Another example is when the portfolio managers have raised specific sustainability issues with company management and pushed for the investee companies to take more responsibility for their carbon footprint by setting goals in line with scientific goals, such as the Science Based Targets initiative (SBTi).

Exclusions

During the reference period, the fund has been managed in line with its exclusion strategy, meaning that potential companies that during this period no longer meet the fund's sustainability requirements have been divested

Engagement and Asset stewardship

The fund company and portfolio manager have during the reference period conducted active asset stewardship in order to improve upon the portfolio companies' sustainability efforts, reduce sustainability risks and to manage and reduce potential risks regarding adverse impacts on sustainability factors.

Dialogues

During the reference period, the fund company carried out 148 direct engagements between the fund company and companies. 8 of these were dialogues with companies held by this fund on balance day. These dialogues aim to support the continuous improvement of the companies' sustainability work and include questions regarding how to handle the company's sustainability risks, the prevention of adverse impacts and contributions to sustainable development. The dialogues can also be reactive/incident based.

In addition to direct dialogues, the fund company has during the reference period taken part in collaborative engagements where 448 companies have been addressed together with other investors. 7 of these were dialogues with companies held by this fund on balance day.

Through participating in initiatives, investor statements and networks, the fund company has carried out engagement efforts during the reference period.

Voting at shareholders' meetings

As a part of the fund company's asset stewardship, the fund company voted on behalf of the fund at 62 shareholders' meetings during the reference period.

Nomination committees

The fund company has through its ownership share taken part in 66 nomination committees and worked to put forward proposals for boards characterised by expertise and diversity. Among these, the fund had holdings in 0 of these companies during the whole or part of the reference period.