

Table 1

Statement on principal adverse impacts of investment decisions on sustainability factors

Financial market participant

Handelsbanken Fonder
Corporate identity number: 556418-8851
LEI: 549300RJTULO02U5ZG71

Summary (English)

Handelsbanken Fonder AB (LEI 549300RJTULO02U5ZG71, and referred to below as the fund company) considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of the fund company.

This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January to 31 December 2024.

The fund company regularly assesses potential adverse impacts on sustainability factors and has identified that these mainly consist of factors such as the climate, environment, human rights, anti-corruption and employee matters, as well as gender equality.

This summary of how the fund company considers adverse sustainability impacts on sustainability factors is available in the following languages: Swedish, English, Norwegian, Finnish and Danish.

In the event that the principal adverse impacts on sustainability factors are not taken into account for individual products or the integration of sustainability factors at the product level exceeds that which is specified in this statement, this will be disclosed in the specific fund's prospectus.

The fund company collects data for, and quantitatively reports on, all mandatory as well as two additional sustainability indicators, in accordance with the requirements of Article 6 of Delegated Regulation (EU) 2022/1288. The indicators are presented below, under the section "Description of the principal adverse impacts on sustainability factors". Analysis of these indicators leads to the fund company taking action in line with its strategies for inclusion, exclusion and engagement. An explanation of the development for each indicator is presented where historical data is available, and actions taken, actions planned and targets set for the next reference period are presented for all indicators.

The fund company uses indicators in the following areas to identify and prioritise principal adverse impacts: greenhouse gas emissions, energy efficiency, biodiversity, water, waste, social and employee matters, human rights, the environment, anti-corruption and anti-bribery.

The fund company has taken several measures during 2024 linked to considering adverse impact, such as:

- Continuing to work towards the goal of reducing its carbon intensity by 50% by 2030.
- Continuing to pursue its commitment to the Net Zero Asset Managers Initiative, and in 2024 presented its fourth progress report.
- Voting for several shareholder proposals on the climate issue, for example to urge companies to ensure that their lobbying activities are in line with the Paris Agreement.
- Continuing to engage in dialogue with numerous companies that are high emitters and initiating further dialogue. The purpose of these dialogues is to encourage companies to clearly report and reduce their climate impact.
- During the year, the fund company has continued to develop prioritisation methods for direct dialogues in areas such as biodiversity and social aspects such as human rights.

Sammanfattning (Svenska)

Handelsbanken Fonder AB (LEI 549300RJTULO02U5ZG71, nedan kallat Fondbolaget) beaktar de huvudsakliga negativa konsekvenserna av sina investeringsbeslut för hållbarhetsfaktorer. Föreliggande redogörelse är den konsoliderade redogörelsen för huvudsakliga negativa konsekvenser för hållbarhetsfaktorer för Fondbolaget. Denna redogörelse för de huvudsakliga negativa konsekvenserna för hållbarhetsfaktorer omfattar referensperioden från 1 januari till den 31 december 2024.

Fondbolaget bedömer löpande potentiella negativa konsekvenser för hållbarhetsfaktorer och har identifierat att de huvudsakligen omfattar faktorer såsom klimat, miljö, mänskliga rättigheter, antikorrupktion och arbetsrättsliga frågor samt jämställdhet.

Denna sammanfattning av hur Fondbolaget beaktar huvudsakliga negativa konsekvenser för hållbarhetsfaktorer finns tillgänglig på följande språk: svenska, engelska, norska, finska och danska.

I de fall huvudsakliga negativa konsekvenser för hållbarhetsfaktorer inte beaktas för enskilda produkter eller att integreringen av hållbarhetsfaktorer på produktnivå går utöver vad som angivits i denna redogörelse framgår detta av respektive fonds informationsbroschyr.

Fondbolaget inhämtar data för, och redovisar kvantitativt, samtliga obligatoriska såväl som två ytterligare hållbarhetsindikatorer, i enlighet med kraven i artikel 6 i den delegerade förordningen 2022/1288. Indikatorerna redovisas nedan, under avsnittet *Beskrivning av huvudsakliga negativa konsekvenser för hållbarhetsfaktorer*. Analys av dessa indikatorer leder till att Fondbolaget vidtar åtgärder i linje med strategierna för Välja in, Välja bort och Påverka. En förklaring av utvecklingen för respektive indikator redovisas i de fall historik finns tillgänglig, och för alla indikatorer redovisas såväl vidtagna åtgärder som planerade åtgärder samt mål för nästkommande referensperiod.

Fondbolaget använder indikatorer bland annat inom områdena växthusgasutsläpp, energieffektivitet, biologisk mångfald, vatten, avfall, sociala och arbetsrättsliga frågor, mänskliga rättigheter, miljö, bekämpning av korrupktion och mutor, för att identifiera och prioritera huvudsakliga negativa konsekvenser.

Fondbolaget har vidtagit flertalet åtgärder under 2024 i syfte att beakta negativ påverkan, såsom:

- Fondbolaget arbetar vidare på målet om att minska sin koldioxidintensitet med 50% till år 2030.
- Fondbolaget arbetar vidare med åtagande till Net Zero Asset Managers Initiative och har under 2024 redovisat sin fjärde lägesrapport (progress report).
- Fondbolaget har röstat för flertalet aktieägarmotioner i klimatfrågan, exempelvis för att få bolag att säkerställa att deras lobbyarbete är linje med Parisavtalet.
- Fondbolaget har fortsatt påverkansdialog med ett antal bolag som har stora utsläpp samt initierat ytterligare dialog. Syftet med dialogerna är att förmå bolagen att tydligare rapportera och minska sin klimatpåverkan.
- Under året har fondbolaget fortsatt utveckla prioriteringsmetoder för direkt dialog även inom biologisk mångfald och sociala aspekter som till exempel mänskliga rättigheter.

Sammenfatning (Dansk)

Handelsbanken Fonder AB (i det følgende benævnt Fondsselskabet) tager hensyn til de væsentligste negative indvirkninger af sine investeringsbeslutninger på bæredygtighedsfaktorer. Denne erklæring er den konsoliderede erklæring om de væsentligste negative indvirkninger på bæredygtighedsfaktorer fra Fondsselskabet.

Denne erklæring om de vigtigste negative indvirkninger for bæredygtighedsfaktorer omfatter referenceperioden fra den 1. januar til den 31. december 2024.

Fondsselskabet vurderer løbende potentielle negative indvirkninger for bæredygtighedsfaktorer og har identificeret, at disse hovedsageligt omfatter faktorer som klima, miljø, menneskerettigheder, bekæmpelse af korruption, sociale og personalemæssige spørgsmål samt ligestilling mellem kønnene.

Denne oversigt over, hvordan fondsselskabet vurderer de vigtigste negative indvirkninger for bæredygtighedsfaktorer, er tilgængelig på følgende sprog: svensk, engelsk, norsk, finsk og dansk.

I de tilfælde, hvor væsentligste negative indvirkninger for bæredygtighedsfaktorer ikke tages i betragtning for individuelle produkter, eller at integrationen af bæredygtighedsfaktorer på produktniveau overstiger det, der er specificeret i denne erklæring, vil dette blive oplyst af den respektive fonds prospekt.

Fondsselskabet indsamler data for og rapporterer kvantitativt alle obligatoriske samt to yderligere bæredygtighedsindikatorer, i overensstemmelse med kravene i artikel 6 i delegerede forordning 2022/1288. Indikatorerne er rapporteret nedenfor i den komplette rapport, under afsnittet Beskrivelse af væsentligste negative indvirkninger for bæredygtighedsfaktorer. Analyse af disse indikatorer fører til, at fondsselskabet træffer foranstaltninger i overensstemmelse med tilvalg, fravalg og påvirkning. En forklaring af udviklingen for hver indikator rapporteres, og truffet handlinger, planlagte handlinger og mål opstillet for den næste referenceperiode præsenteres for alle indikatorer.

Fondsselskabet bruger indikatorer på å følgende områder til at identificere og prioritere væsentlige negative påvirkninger: drivhusgasemissioner, energieffektivitet, biodiversitet, vand, affald, sociale og personalemæssige spørgsmål, menneskerettigheder, miljø, bekæmpelse af korruption og bestikkelse.

Fondsselskabet har truffet flere tiltag i løbet af 2024 knyttet til at overveje negativ påvirkning, såsom:

- Fondsselskabet arbejder fortsat på målet om at reducere sin kuldioxidintensitet med 50 % inden 2030.
- Fondsselskabet fortsætter med at forfølge sit engagement i Net Zero Asset Managers Initiative og har præsenteret sin fjerde statusrapport i 2024.
- Fondsselskabet har stemt for flere aktionærforslag om klimaspørgsmålet, for eksempel for at få virksomheder til at sikre, at deres lobbyarbejde er i overensstemmelse med Parisaftalen.
- Fortsætte med at gå i dialog med flere virksomheder, der er høje emittere, og indlede yderligere dialog. Formålet med disse dialoger er at få virksomheder til tydeligt at rapportere og reducere deres klimapåvirkning.
- I løbet af året har fondsselskabet fortsat med at udvikle prioriteringsmetoder til direkte dialog, herunder inden for biodiversitet og sociale aspekter som menneskerettigheder.

Tiivistelmä (Suomi)

Handelsbanken Fonder AB (LEI 549300RJTULO02U5ZG71, jäljempänä Rahastoyhtiö) ottaa sijoituspäätöksissään huomioon pääasialliset haitalliset vaikutukset kestävyystekijöihin. Tämä ilmoitus on yhdistetty ilmoitus Rahastoyhtiön pääasiallisista haitallisista vaikutuksista kestävyystekijöihin.

Tämä ilmoitus pääasiallisista haitallisista vaikutuksista kestävyystekijöihin kattaa viitekauden, joka alkaa 1. tammikuuta ja päättyy 31. joulukuuta 2024.

Rahastoyhtiö arvioi jatkuvasti mahdollisia haitallisia vaikutuksia kestävyystekijöihin ja on tunnistanut näihin kuuluviksi pääasiallisesti sellaisia tekijöitä kuten ilmasto, ympäristö, ihmisoikeudet, korruptiontorjunta ja työoikeudelliset kysymykset sekä tasa-arvo.

Tämä tiivistelmä siitä, miten Rahastoyhtiö ottaa huomioon pääasialliset haitalliset vaikutukset kestävyystekijöihin, on saatavilla seuraavilla kielillä: ruotsi, englanti, norja, suomi ja tanska.

Mikäli pääasiallisia haitallisia vaikutuksia kestävyystekijöihin ei huomioida yksittäisille tuotteille tai kestävyystekijöiden integrointi tuotetasolla on tässä ilmoituksessa kerrottua laajempaa, asia ilmenee kyseisen rahaston esitteestä.

Rahastoyhtiö kerää tietoa ja ilmoittaa kvantitatiivisesti kaikki pakolliset sekä kaksi vapaaehtoista kestävyysindikaattoria delegoidun asetuksen 2022/1288 artiklan 6 mukaisesti. Indikaattorit esitetään ruotsinkilisen täydellisen ilmoituksen osiossa "Beskrivning av huvudsakliga negativa konsekvenser för hållbarhetsfaktorer" (Kuvaus pääasiallisista haitallisista vaikutuksista kestävyystekijöihin). Näihin indikaattoreihin pohjautuvan analyysin perusteella ryhdytään strategioiden Suosiminen, Poissulkeminen ja Vaikuttaminen mukaisiin toimiin. Selvitys jokaisen indikaattorin kehityksestä esitetään, jos historialliset tiedot ovat saatavilla. Lisäksi esitetään sekä toteutuneet toimenpiteet että suunnitellut toimenpiteet ja tavoitteet seuraavalle viitekaudelle.

Rahastoyhtiö käyttää indikaattoreita muun muassa seuraavilta alueilta tunnistaakseen ja priorisoidakseen pääasiallisia haitallisia vaikutuksia: kasvihuonekaasupäästöt, energiatehokkuus, luonnon monimuotoisuus, vesi, jätteet, yhteiskunnalliset ja työoikeudelliset kysymykset, ihmisoikeudet, ympäristö, korruption- ja lahjustorjunta.

Rahastoyhtiö on vuoden 2024 aikana ryhtynyt useisiin toimenpiteisiin ottaakseen huomioon haitalliset vaikutukset kuten:

- Rahastoyhtiö jatkaa työtään hiilidioksidi-intensiteetin vähentämiseksi 50 prosentilla vuoteen 2030 mennessä.
- Rahastoyhtiö jatkaa työtään Net Asset Managers –sitoumuksen mukaisesti ja on vuonna 2024 julkistanut neljäs tilannekatsauksen (edistymisraportti).
- Rahastoyhtiö on äänestänyt useiden ilmastoon liittyvien osakkeenomistajien aloitteiden puolesta, esimerkiksi saadakseen yritykset varmistamaan, että niiden edunvalvontatyö on Pariisin sopimuksen mukaista.
- Rahastoyhtiö on jatkanut vaikuttamisvuoropuhelua monien runsaspäästöisten yhtiöiden kanssa sekä aloittanut uusia vuoropuheluita. Vuoropuhelujen tavoitteena on kannustaa yhtiöitä raportoimaan selkeämmin ja vähentämään ilmastovaikutustaan.
- Rahastoyhtiö on vuoden aikana jatkanut priorisointimenetelmien kehittämistä suoraa vuoropuhelua varten, mukaan lukien luonnon monimuotoisuuden ja sosiaalisten näkökohtien, kuten ihmisoikeuksien, osalta.

Oppsummering (Norsk)

Handelsbanken Fonder AB (heretter kalt Fondsselskapet) vurderer de viktigste negative konsekvensene av investeringsbeslutningene på bærekraftsfaktorer. Denne rapporten er en konsolidert oversikt over de viktigste negative virkningene på bærekraftsfaktorer for fondsforvaltningsselskapet.

Denne erklæringen om de viktigste negative virkningene på bærekraftsfaktorer dekker referanseperioden fra 1. januar til 31. desember 2024.

Fondsselskapet vurderer løpende potensielle negative konsekvenser for bærekraftsfaktorer og har identifisert at de hovedsakelig omfatter faktorer som klima, miljø, menneskerettigheter, antikorrupsjon og arbeidsrettslige spørsmål samt likestilling.

Denne oppsummeringen av hvordan Fondsselskapet vurderer de viktigste negative konsekvensene for bærekraftsfaktorer er tilgjengelig på følgende språk: svensk, engelsk, norsk, finsk og dansk.

I de tilfeller hvor de viktigste negative konsekvensene for bærekraftsfaktorer ikke er hensyntatt for enkeltprodukter eller at integreringen av bærekraftsfaktorer på produktnivå går utover det som er angitt i denne rapporten, fremgår dette av det respektive fonds prospekt.

Forvaltningsselskapet samler inn data for, og rapporterer kvantitativt på alle obligatoriske samt to ytterligere bærekraftindikatorer, i samsvar med kravene i artikkel 6 i den delegerte forordningen 2022/1288. Indikatorene presenteres i den komplette redgjørelsen, under seksjonen «Beskrivelse av hovedsaklige negative konsekvenser for hållbarhetsfaktorer» (Beskrivelse av de viktigste negative virkningene på bærekraftsfaktorer). Analyse av disse indikatorene fører til at fondsforvaltningsselskapet iverksetter tiltak i tråd med strategiene for velge inn, velge ut og påvirke. Der historikk foreligger, gis en forklaring på utviklingen for hver indikator, og for alle indikatorer rapporteres både iverksatte tiltak og planlagte tiltak, samt mål for neste referanseperiode.

Forvaltningsselskapet bruker indikatorer på områder som klimagassutslipp, energieffektivitet, biologisk mangfold, vann, avfall, sosiale og arbeidsrelaterte forhold, menneskerettigheter, miljø, antikorupsjon og bestikkelser for å identifisere og prioritere de viktigste negative konsekvensene.

Forvaltningsselskapet har i 2024 iverksatt flere tiltak knyttet til å vurdere negative konsekvenser, eksempelvis:

- Fondsselskapet fortsetter å jobbe mot målet om å redusere karbonintensiteten med 50 prosent innen 2030.
- Fondsselskapet fortsetter å jobbe med engasjement for Net Zero Asset Managers Initiative og har i 2024 lagt frem sin fjerde framdriftsrapport.
- Fondsselskapet har stemt for flere aksjonærforslag i klimaspørsmålet, for eksempel for å få selskaper til å sørge for at lobbyarbeidet deres er i tråd med Parisavtalen.
- Forvaltningsselskapet har fortsatt dialog med en rekke selskaper med store utslipp og tatt initiativ til videre dialog. Formålet med dialogene er å få selskaper til å rapportere tydeligere og redusere sin klimapåvirkning.
- I løpet av året har fondsselskapet fortsatt å utvikle prioriteringsmetoder for direkte dialog, blant annet innenfor biologisk mangfold og sosiale aspekter som menneskerettigheter.

Description of the principal adverse impacts on sustainability factors

Indicators applicable to investments in investee companies							
Adverse sustainability indicator	Metric	Impact 2024	Impact 2023	Impact 2022	Impact 2021	Explanation	Actions taken, and actions planned and targets set for the next reference period
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS							
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	1,370,306 (tCO ₂ e)	1,468,047 (tCO ₂ e)	1,510,808 (tCO ₂ e)	The fund company notes a continued increase in the indicators that measure emissions related to Scope 3, and a decrease in terms of Scope 1 and 2. Analysis indicates that the increase in Scope 3 is mainly explained by	The fund company has set a target to reduce its emission intensity measured in tCO ₂ e per EVIC (PAI 2, "Carbon footprint") by 50% by 2030, based on the 2020 baseline. The target takes into account all emissions in the companies' value chains, i.e. scopes 1, 2 and 3, and is developed in
		Scope 2 GHG emissions	472,673 (tCO ₂ e)	528,705 (tCO ₂ e)	570,665 (tCO ₂ e)		
		Scope 3 GHG emissions	38,036,655 (tCO ₂ e)	36,336,407 (tCO ₂ e)	36,216,924 (tCO ₂ e)		
		Total GHG emissions	39,879,635 (tCO ₂ e)	38,333,158 (tCO ₂ e)	38,298,396 (tCO ₂ e)		

	2. Carbon footprint	Carbon footprint	520.31 (tCO ₂ e/mEUR EVIC)	596.75 (tCO ₂ e/mEUR EVIC)	529.14 (tCO ₂ e /mEUR EVIC)		increased access to reported data. The majority of the fund company's total carbon footprint (over 62%) derives from companies that set science-based emission targets approved by the Science Based Targets Initiative (SBTi).	accordance with the Net Zero Investment Framework (NZIF) as part of the fund company's commitment in the Net Zero Asset Managers (NZAM). During 2024, the fund company presented its fourth progress report to NZAM. The fund company has eight index funds managed in line with Paris Aligned Benchmarks, with a total capital of 336 B SEK at the end of 2024. The funds and their index composition aim for a clear reduction in carbon dioxide and other GHG emissions. During 2024, the fund company has voted for several shareholder proposals on climate issues, for example to urge companies to ensure that their lobbying activities are in line with the Paris Agreement. The fund company has also conducted its own direct engagement dialogue with several high emitters. The purpose of these dialogues is to encourage companies to clearly report and reduce their emissions
	3. GHG intensity of investee companies	GHG intensity of investee companies	1,385.66 (tCO ₂ e/mEUR Revenue)	1,565.43 (tCO ₂ e/mEUR Revenue)	1,487.13 (tCO ₂ e/mEUR Revenue)			
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0.98%	0.66%	0.65%	1.02%	Through its exclusion strategy, the fund company only has exposure to: (i) companies whose involvement in fossil fuels falls below our exclusion thresholds (5% production/distribution and 50% services). (ii) approved companies in transition. The exposure to companies operating in the fossil fuel sector has	The fund company wants to do its part in the transition to a low-carbon world, with the word "transition" being central. Companies that transition their production from fossil fuels to renewable energy are key players in actually reducing the overall carbon dioxide emissions in the real economy. We have therefore decided to accept a certain amount of exposure to fossil fuels if the company meets our requirements to qualify as a company in transition.

							at the aggregate level remained low in 2024.	Investments in companies in transitions are expected to remain for the next reference period.
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	Consumption: 54.07% Production: 16.38%	Consumption: 56.57% Production: 19.65%	Consumption: 61.33% Production: 19.22%		For this year's outcome, it is noted that the share of non-renewable energy consumption and the share of non-renewable energy production have decreased.	The fund company's proactive engagement activities address the issue of non-renewable energy consumption and production through company dialogue.
	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.	Sector (NACE): A – Agriculture, Forestry and Fishing: 0.54 B - Mining and Quarrying: 3.43 C - Manufacturing: 0.50 D – Electricity, Gas, Steam and Air Conditioning Supply: 1.73 E – Water Supply; Sewerage, Waste Management and Remediation Activities: 0.60 F - Construction: 0.19 G - Wholesale and Retail Trade: 0.10 H – Transportation and Storage: 14.62	Sector (NACE): A – Agriculture, Forestry and Fishing: 0.46 B - Mining and Quarrying: 4.10 C - Manufacturing: 1.68 D – Electricity, Gas, Steam and Air Conditioning Supply: 1.72 E – Water Supply; Sewerage, Waste Management and Remediation Activities: 0.72 F - Construction: 1.72 G - Wholesale and Retail Trade: 0.20 H – Transportation and Storage: 1.48	Sector (NACE): A – Agriculture, Forestry and Fishing: 5.91 B - Mining and Quarrying: 22.67 C - Manufacturing: 2.57 D – Electricity, Gas, Steam and Air Conditioning Supply: 1.84 E – Water Supply; Sewerage, Waste Management and Remediation Activities: 0.62 F - Construction: 0.09 G - Wholesale and Retail Trade: 0.33 H – Transportation and Storage: 1.60		The fund company's analysis indicates marginal changes in the majority of sectors but notes that the three most significant changes are found in sector H. The main explanation for this is changed exposure to the sectors and changed reporting of companies with high energy consumption intensity.	The fund company's proactive engagement activities address increased energy efficiency through company dialogue.

			L – Real Estate Activities: 0.49 (GWh/mEUR)	L – Real Estate Activities: 0.50 (GWh/mEUR)	L – Real Estate Activities: 0.52 (GWh/mEUR)			
Biodiversity	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	1.81%	1.76%	2.25%		The fund company notes that the outcome for 2024 is largely unchanged, and that there is slightly improved coverage, which for 2024 is over 90%.	<p>During the year, the fund company specifically addressed biodiversity in 61 of its proactive direct dialogues.</p> <p>During 2024, the fund company further developed its strategy and reporting regarding biodiversity with guidance from TNFD and in light of an overall mapping of the investment portfolio's impact on and dependencies on nature and its ecosystem services. These efforts also included method development regarding prioritisation of company dialogues addressing biodiversity. In addition to direct dialogues, the fund company participates in collaborative dialogues on the issue with other investors through Nature Action 100, FAIRR, Sustainalytics and IIHC.</p> <p>The issue remains a priority in the fund company's engagement efforts.</p>
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.79 (t/mEUR)	1.40 (t/mEUR)	4.31 (t/mEUR)		The fund company notes that the coverage for the indicator remains below 10%. The expectation is that the results will change as coverage increases, and that the outcome will then better reflect the actual impact. For this year's outcome, it is noted that discharges to water have decreased.	Controversies in this area are included in the norm-based screening that the fund company purchases from ISS ESG. Cases that are extensive and considered particularly severe will be included in the ongoing efforts related to norms. Especially within the scope of environmental- and climate related norms.
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies	1.17 (t/mEUR)	3.27 (t/mEUR)	5.66 (t/mEUR)		The fund company notes an improvement in the 2024 outcome and coverage over 80%.	Controversies in this area are included in the norm-based screening that the fund company purchases

		per million EUR invested, expressed as a weighted average						from ISS ESG. Cases that are extensive and considered particularly severe will be included in the ongoing efforts related to norms. Especially within the scope of environmental- and climate related norms.
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS								
Social and employee matters	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%	0.03%	0.00%	0.00%	The fund company does not invest in companies with verified violations of the UNGC principles or OECD Guidelines for Multinational Enterprises. The source for this assessment is ISS ESG. In exceptional cases, an existing holding may have its analysis changed and the holding is then divested as soon as possible. However, there may be an exposure during the short period between the change of signal and divestment. The coverage is over 99%	Continued screening and exclusion criteria linked to verified breaches. If a company is deemed not to have taken sufficient measures, the company's holdings will be sold off. The fund company regularly participates in dialogues together with other investors regarding companies with verified or alleged violations of the UNGC principles or OECD Guidelines for Multinational Enterprises.
	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	56.63%	44.75%	45.98%		The fund company notes an increase in the 2024 outcome. The coverage is over 90%	This is an issue that the fund company, in relevant cases, addresses through engagement dialogue and voting at shareholders' meetings where proposals related to this area are on the agenda. The issue remains a priority in the fund company's engagement efforts.
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	16.64%	17.36%	16.61%		The coverage for the indicator remains below 5%. The expectation is that the results will change as coverage increases, and that the	At the shareholders' meetings that are prioritised for voting by the fund company and where proposals related to this area are on the meeting

							outcome will then better reflect the actual impact. For this year's outcome, a decrease is noted.	agenda, the fund company analyses and votes on them.
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	Women: 36.37% Men: 63.63%	Women: 34.98% Men: 65.02%	Women: 34.19% Men: 65.81%		The fund company notes an improvement in the 2024 outcome as the share of female board members has increased. Furthermore, coverage over 90% for the indicator is noted.	The fund company works actively to increase gender equality on company boards through our representation on nomination committees and our votes at shareholders' meetings. The issue remains a priority in the fund company's engagement efforts.
	14. Exposure to controversial weapons (antipersonnel 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%	0.01%	0.07%	0.00%	The fund company does not invest in companies with verified violations of the UNGC principles or OECD Guidelines for Multinational Enterprises. The source for this assessment is ISS ESG. In exceptional cases, an existing holding may have its analysis changed and the holding is then divested as soon as possible. However, there may be an exposure during the short period between the change of signal and divestment. The coverage for this indicator is over 99%	Continued screening and strict exclusion criteria.

Indicators applicable to investments in sovereigns and supranationals								
Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Impact 2022	Impact 2021	Explanation	Actions taken, and actions planned and targets set for the next reference period
Environmental	15. GHG intensity	GHG intensity of investee countries	0.08 (ktCO2/mEUR BNP)	0.12 (ktCO2/mEUR BNP)	0.17 (ktCO2/mEUR BNP)		For the 2024 outcome, a reduction in GHG intensity is noted. The coverage is over 80%	The fund company analyses the principal adverse impacts on sustainability factors for sovereigns against set thresholds, which forms the basis for whether an investment in a sovereign is considered to be aligned with environmental and social characteristics.
Social	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	1	0	0		The fund company has exposure to a country, through an external fund, in which the analysis points to a lack of social responsibility. The external manager is considered to have robust analysis and assessment processes in place and the outcome can be explained by the external fund making a different assessment than the fund company. The source for this assessment is Sustainabilitytics. The coverage is over 80%	The fund company analyses the principal adverse impacts on sustainability factors for sovereigns against set thresholds, which forms the basis for whether an investment in a sovereign is considered to be aligned with environmental and social characteristics.
Indicators applicable to investments in real estate								
Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Impact 2022	Impact 2021	Explanation	Actions taken, and actions planned and targets set for the next reference period
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or	Not applicable	Not applicable	Not applicable		There are no direct investments in real estate.	There are no direct investments in real estate.

		manufacture of fossil fuels						
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	Not applicable	Not applicable	Not applicable		There are no direct investments in real estate.	There are no direct investments in real estate.
Other indicators for principal adverse impacts on sustainability factors								
Table 2 Additional climate and other environment-related indicators								
Adverse sustainability indicator	Metric		Impact 2024	Impact 2023	Impact 2022	Impact 2021	Explanation	Actions taken, and actions planned and targets set for the next period
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS								
Indicators applicable to investments in investee companies								
Emissions	1. Emissions of inorganic pollutants	Tonnes of inorganic pollutants equivalent per million EUR invested, expressed as a weighted average	-	0.00 (t/mEUR)			For 2024, coverage for the indicator is 0%.	During 2024, the fund company further developed its strategy and reporting regarding biodiversity with guidance from TNFD and in light of an overall mapping of the investment portfolio's impact on and dependencies on nature and its ecosystem services. These efforts also included method development regarding prioritisation of company dialogues addressing biodiversity. In addition to direct dialogues, the fund company participates in collaborative dialogues on the issue with other investors through Nature Action 100, FAIRR, Sustainalytics and IHC.
	2. Emissions of air pollutants	Tonnes of air pollutants equivalent per million EUR invested, expressed as a weighted average	0.02 (t/mEUR)	0.02 (t/mEUR)			The coverage for the indicator is below 5% and the outcome remains unchanged.	During 2024, the fund company further developed its strategy and reporting regarding biodiversity with guidance from TNFD and in light of an overall mapping of the investment portfolio's impact on and dependencies on nature and its ecosystem services. These efforts also included method development regarding

								prioritisation of company dialogues addressing biodiversity. In addition to direct dialogues, the fund company participates in collaborative dialogues on the issue with other investors through Nature Action 100, FAIRR, Sustainalytics and IHC.
	3. Emissions of ozone-depleting substances	Tonnes of ozone-depleting substances equivalent per million EUR invested, expressed as a weighted average	53.81 (t/mEUR)	0.03 (t/mEUR)			The coverage for the indicator is currently just over 5%. The expectation is that the results will change as coverage increases, and that the outcome will then better reflect the actual impact. For this year's outcome, an increase is noted.	During 2024, the fund company further developed its strategy and reporting regarding biodiversity with guidance from TNFD and in light of an overall mapping of the investment portfolio's impact on and dependencies on nature and its ecosystem services. These efforts also included method development regarding prioritisation of company dialogues addressing biodiversity. In addition to direct dialogues, the fund company participates in collaborative dialogues on the issue with other investors through Nature Action 100, FAIRR, Sustainalytics and IHC.
	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	30.46%	33.36%	49.00%		The fund company notes an increase in the share of investments in companies with carbon emission reduction initiatives. The coverage is over 90%.	This is an issue of priority in the scope of the fund company's proactive engagement dialogue. Climate aspects have been addressed in direct dialogues with 58 companies.
Energy performance	5. Breakdown of energy consumption by type of non-renewable sources of energy	Share of energy from non-renewable sources used by investee companies broken down by each non-renewable energy source	Coal: 1.70% Natural gas: 16.08% Nuclear: 5.04% Oil: 10.10%				This is the first reporting period for the indicator. In subsequent reports, developments will be explained with reference to the actions taken during the reference period. The coverage for the indicator is just over 70%.	The fund company's proactive engagement activities address the issue of non-renewable energy consumption and production through company dialogue.
Water, waste and material emissions	6. Water usage and recycling	1. Average amount of water consumed by the investee companies (in cubic meters) per million EUR of revenue of investee companies	1. 1 453.60 (m3/mEUR) 2. 71.35%	1. 1 516.65 (m3/mEUR) 2. 100.45%			The fund company notes an decrease of reported water consumed and a decrease of water recycled water. The coverage for the indicator is just over 10%.	During 2024, the fund company further developed its strategy and reporting regarding biodiversity with guidance from TNFD and in light of an overall mapping of the investment portfolio's impact on and dependencies on nature and

		2. Weighted average percentage of water recycled and reused by investee companies						its ecosystem services. These efforts also included method development regarding prioritisation of company dialogues addressing biodiversity. In addition to direct dialogues, the fund company participates in collaborative dialogues on the issue with other investors through Nature Action 100, FAIRR, Sustainalytics and IHC.
	7. Investments in companies without water management policies	Share of investments in investee companies without water management policies	70.65%	17.69%			The fund company notes an increase compared to previous year. Coverage for the indicator is over 90%.	During 2024, the fund company further developed its strategy and reporting regarding biodiversity with guidance from TNFD and in light of an overall mapping of the investment portfolio's impact on and dependencies on nature and its ecosystem services. These efforts also included method development regarding prioritisation of company dialogues addressing biodiversity. In addition to direct dialogues, the fund company participates in collaborative dialogues on the issue with other investors through Nature Action 100, FAIRR, Sustainalytics and IHC.
	8. Exposure to areas of high water stress	Share of investments in investee companies with sites located in areas of high water stress without a water management policy					The fund company intends to report the indicator but has not been able to secure data through an external data provider.	During 2024, the fund company further developed its strategy and reporting regarding biodiversity with guidance from TNFD and in light of an overall mapping of the investment portfolio's impact on and dependencies on nature and its ecosystem services. These efforts also included method development regarding prioritisation of company dialogues addressing biodiversity. In addition to direct dialogues, the fund company participates in collaborative dialogues on the issue with other investors through Nature Action 100, FAIRR, Sustainalytics and IHC.
	9. Investments in companies producing chemicals	Share of investments in investee companies the activities of which fall under Division 20.2 of Annex I to Regulation (EC) No 1893/2006	0.94%				This is the first reporting period for the indicator. In subsequent reports, developments will be explained with reference to the actions taken during the reference	The fund company participates in several joint investor initiatives focused on reducing companies' use of chemicals.

							period. Coverage for the indicator is over 90%.	
	10. Land degradation, desertification, soil sealing	Share of investments in investee companies the activities of which cause land degradation, desertification or soil sealing	9.77%	11.00%			The fund company notes an decrease. Coverage for the indicator is over 80%.	During 2024, the fund company further developed its strategy and reporting regarding biodiversity with guidance from TNFD and in light of an overall mapping of the investment portfolio's impact on and dependencies on nature and its ecosystem services. These efforts also included method development regarding prioritisation of company dialogues addressing biodiversity. In addition to direct dialogues, the fund company participates in collaborative dialogues on the issue with other investors through Nature Action 100, FAIRR, Sustainalytics and IHC.
	11. Investments in companies without sustainable land/agriculture practices	Share of investments in investee companies without sustainable land/agriculture practices or policies					The fund company intends to report the indicator but has not been able to secure data through an external data provider.	During 2024, the fund company further developed its strategy and reporting regarding biodiversity with guidance from TNFD and in light of an overall mapping of the investment portfolio's impact on and dependencies on nature and its ecosystem services. These efforts also included method development regarding prioritisation of company dialogues addressing biodiversity. In addition to direct dialogues, the fund company participates in collaborative dialogues on the issue with other investors through Nature Action 100, FAIRR, Sustainalytics and IHC.
	12. Investments in companies without sustainable oceans/seas practices	Share of investments in investee companies without sustainable oceans/seas practices or policies	96.66%	93.91%			The fund company notes an increase. Coverage for the indicator is over 80%.	During 2024, the fund company further developed its strategy and reporting regarding biodiversity with guidance from TNFD and in light of an overall mapping of the investment portfolio's impact on and dependencies on nature and its ecosystem services. These efforts also included method development regarding prioritisation of company dialogues addressing biodiversity. In addition to direct dialogues, the fund company participates in collaborative dialogues on the issue

								with other investors through Nature Action 100, FAIRR, Sustainalytics and IHC.
	13. Non-recycled waste ratio	Tonnes of non-recycled waste generated by investee companies per million EUR invested, expressed as a weighted average	147.63 (t/mEUR)	73.79 (t/mEUR)			For 2024, an increase is noted. Coverage for the indicator is below 50%.	During 2024, the fund company further developed its strategy and reporting regarding biodiversity with guidance from TNFD and in light of an overall mapping of the investment portfolio's impact on and dependencies on nature and its ecosystem services. These efforts also included method development regarding prioritisation of company dialogues addressing biodiversity. In addition to direct dialogues, the fund company participates in collaborative dialogues on the issue with other investors through Nature Action 100, FAIRR, Sustainalytics and IHC.
	14. Natural species and protected area	1. Share of investments in investee companies whose operations affect threatened species 2. Share of investments in investee companies without a biodiversity protection policy covering operational sites owned, leased, managed in, or adjacent to, a protected area or an area of high biodiversity value outside protected areas	1. – 2. 0.63%	1. – 2. 1.23%			At the time of reporting, the fund company is not able to break out a separate value for sub-indicator 1. Coverage for sub-indicator 2 is over 80%.	During 2024, the fund company further developed its strategy and reporting regarding biodiversity with guidance from TNFD and in light of an overall mapping of the investment portfolio's impact on and dependencies on nature and its ecosystem services. These efforts also included method development regarding prioritisation of company dialogues addressing biodiversity. In addition to direct dialogues, the fund company participates in collaborative dialogues on the issue with other investors through Nature Action 100, FAIRR, Sustainalytics and IHC.
	15. Deforestation	Andel av investeringar i företag utan policy för att hantera avskogning	87.21%	81.42%			For 2024, an increase is noted. Coverage for the data point is over 80%.	During 2024, the fund company further developed its strategy and reporting regarding biodiversity with guidance from TNFD and in light of an overall mapping of the investment portfolio's impact on and dependencies on nature and its ecosystem services. These efforts also included method development regarding prioritisation of company dialogues addressing biodiversity. In addition to direct dialogues, the fund

								company participates in collaborative dialogues on the issue with other investors through Nature Action 100, FAIRR, Sustainalytics and IHC.
Green securities	16. Share of securities not issued under Union legislation on environmentally sustainable bonds	Share of securities in investments not issued under Union legislation on environmentally sustainable bonds					The fund company intends to include the indicator in future reporting.	
Indicators applicable to investments in sovereigns and supranationals								
Green securities	17. Share of bonds not issued under Union legislation on environmentally sustainable bonds	Share of bonds not issued under Union legislation on environmentally sustainable bonds					The fund company intends to include the indicator in future reporting.	
Table 3								
Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters								
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS								
Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Impact 2022	Impact 2021	Explanation	Actions taken, and actions planned and targets set for the next reference period
Indicators applicable to investments in investee companies								
Social and employee matters	1. Investments in companies without workplace accident prevention policies	Share of investments in investee companies without a workplace accident prevention policy	10.49%				This is the first reporting period for the indicator. In subsequent reports, developments will be explained with reference to the actions taken during the reference period. Coverage is over 80%.	Human rights and other social issues are prioritised in the fund company's efforts concerning active asset stewardship through voting and prioritised dialogues.
	2. Rate of accidents	Rate of accidents in investee companies expressed as a weighted average					The fund company intends to include the indicator in future reporting.	Human rights and other social issues are prioritised in the fund company's efforts concerning active asset stewardship through voting and prioritised dialogues.
	3. Number of days lost to injuries, accidents, fatalities or illness	Number of workdays lost to injuries, accidents, fatalities or illness of investee					The fund company intends to include the indicator in future reporting.	Human rights and other social issues are prioritised in the fund company's efforts concerning

		companies expressed as a weighted average						active asset stewardship through voting and prioritised dialogues.
	4. Lack of a supplier code of conduct	Share of investments in investee companies without any supplier code of conduct (against unsafe working conditions, precarious work, child labour and forced labour)	3.18%				This is the first reporting period for the indicator. In subsequent reports, developments will be explained with reference to the actions taken during the reference period. Coverage is over 80%.	Human rights and other social issues are prioritised in the fund company's efforts concerning active asset stewardship through voting and prioritised dialogues.
	5. Lack of grievance/complaints handling mechanism related to employee matters	Share of investments in investee companies without any grievance/complaints handling mechanism related to employee matters	94.51%				This is the first reporting period for the indicator. In subsequent reports, developments will be explained with reference to the actions taken during the reference period. Coverage is over 80%.	Human rights and other social issues are prioritised in the fund company's efforts concerning active asset stewardship through voting and prioritised dialogues.
	6. Insufficient whistleblower protection	Share of investments in entities without policies on the protection of whistleblowers	0.29%				This is the first reporting period for the indicator. In subsequent reports, developments will be explained with reference to the actions taken during the reference period. Coverage is over 90%.	Human rights and other social issues are prioritised in the fund company's efforts concerning active asset stewardship through voting and prioritised dialogues.
	7. Incidents of discrimination	1. Number of incidents of discrimination reported in investee companies expressed as a weighted average 2. Number of incidents of discrimination reported in investee companies expressed as a weighted average	1. 0.65 2. -				This is the first reporting period for the indicator. In subsequent reports, developments will be explained with reference to the actions taken during the reference period. Coverage for indicator 1 is over 80%. For indicator 2 the Fund company intends to report data in future reporting.	Human rights and other social issues are prioritised in the fund company's efforts concerning active asset stewardship through voting and prioritised dialogues.
	8. Excessive CEO pay ratio	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the	284.78				This is the first reporting period for the indicator. In subsequent reports, developments will be explained with reference to the actions taken	In the fund company's active asset stewardship, the fund company votes on issues relating to CEO remuneration.

		median annual total compensation for all employees (excluding the highest-compensated individual)					during the reference period. Coverage is over 30%.	
Human Rights	9. Lack of a human rights policy	Share of investments in entities without a human rights policy	4.42%	6.58%	8.25%		The fund company notes an improvement in the 2024 outcome as the share of investments with a human rights policy has increased. Furthermore, improved coverage of over 80%.is noted for 2024.	This is an issue of priority in the scope of the fund company's proactive engagement dialogue. Human rights have been addressed in direct dialogues with 62 companies.
	10. Lack of due diligence	Share of investments in entities without a due diligence process to identify, prevent, mitigate and address adverse human rights impacts	38.70%				This is the first reporting period for the indicator. In subsequent reports, developments will be explained with reference to the actions taken during the reference period. Coverage is over 90%.	Human rights and other social issues are prioritised in the fund company's efforts concerning active asset stewardship through voting and prioritised dialogues.
	11. Share of investments in entities without a due diligence process to identify, prevent, mitigate and address adverse human rights impacts	Share of investments in investee companies without policies against trafficking in human beings	4.42%				This is the first reporting period for the indicator. In subsequent reports, developments will be explained with reference to the actions taken during the reference period. Coverage is over 80%.	Human rights and other social issues are prioritised in the fund company's efforts concerning active asset stewardship through voting and prioritised dialogues.
	12. Share of investments in investee companies without policies against trafficking in human beings	Share of investments in investee companies exposed to operations and suppliers at significant risk of incidents of child labour in terms of geographic areas or type of operation	7.64%				This is the first reporting period for the indicator. In subsequent reports, developments will be explained with reference to the actions taken during the reference period. Coverage is over 80%.	Human rights and other social issues are prioritised in the fund company's efforts concerning active asset stewardship through voting and prioritised dialogues.
	13. Operations and suppliers at significant risk of incidents of forced or compulsory labour	Share of the investments in investee companies exposed to operations and suppliers at significant risk of incidents of forced or	6.17%				This is the first reporting period for the indicator. In subsequent reports, developments will be explained with reference to the actions taken during the reference	Human rights and other social issues are prioritised in the fund company's efforts concerning active asset stewardship through voting and prioritised dialogues.

		compulsory labour in terms in terms of geographic areas and/or the type of operation					period. Coverage is over 80%.	
	14. Number of identified cases of severe human rights issues and incidents	Number of cases of severe human rights issues and incidents connected to investee companies on a weighted average basis	0.24				This is the first reporting period for the indicator. In subsequent reports, developments will be explained with reference to the actions taken during the reference period. Coverage is over 80%.	Human rights and other social issues are prioritised in the fund company's efforts concerning active asset stewardship through voting and prioritised dialogues.
Anti-corruption and anti-bribery	15. Lack of anti-corruption and anti-bribery policies	Share of investments in entities without policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption	0.33%				This is the first reporting period for the indicator. In subsequent reports, developments will be explained with reference to the actions taken during the reference period. Coverage is over 90%.	In the fund company's work on good corporate governance, processes to manage bribery and corruption risks are one of the aspects that are assessed. If deficiencies are reported they are managed within the fund company's active ownership governance through voting and/ or prioritised dialogues.
	16. Cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery	Share of investments in investee companies with identified insufficiencies in actions taken to address breaches in procedures and standards of anti-corruption and anti-bribery	2.09%				This is the first reporting period for the indicator. In subsequent reports, developments will be explained with reference to the actions taken during the reference period. Coverage is over 80%.	In the fund company's work on good corporate governance, processes to manage bribery and corruption risks are one of the aspects that are assessed. If deficiencies are reported they are managed within the fund company's active ownership governance through voting and/ or prioritised dialogues.
	17. Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws	Numbers of convictions and amount of fines for violations of anti-corruption and anti-bribery laws by investee companies	Number of convictions: 5 Sum: 616.14 (mEUR)				This is the first reporting period for the indicator. In subsequent reports, developments will be explained with reference to the actions taken during the reference period. Coverage is over 80%.	In the fund company's work on good corporate governance, processes to manage bribery and corruption risks are one of the aspects that are assessed. If deficiencies are reported they are managed within the fund company's active ownership governance through voting and/ or prioritised dialogues.
Indicators applicable to investments in sovereigns and supranationals								
Social	18. Average income inequality score	The distribution of income and economic inequality among the participants in a particular economy	64.99	64.83			The indicator measures the Gini coefficient, normalised to a rating of 0-100 through Sustainalytics' process of	The fund company analyses the principal adverse impacts on sustainability factors for sovereigns against set thresholds, which forms the basis for whether an investment

		including a quantitative indicator explained in the explanation column					Country Risk Ratings. A lower rating indicates greater economic inequality. The underlying data is obtained by Sustainalytics from the World Bank. The 2024 outcome is basically unchanged compared to 2023. Coverage is over 80%.	in a sovereign is considered to be aligned with environmental and social characteristics.
	19. Average freedom of expression score	Measuring the extent to which political and civil society organisations can operate freely including a quantitative indicator explained in the explanation column	75.29	75.66			The indicator measures the Gini coefficient, normalised to a rating of 0-100 through Sustainalytics' process of Country Risk Ratings. A lower rating indicates greater economic inequality. The underlying data is obtained by Sustainalytics from the World Bank. The 2024 outcome is basically unchanged compared to 2023. Coverage is over 80%.	The fund company analyses the principal adverse impacts on sustainability factors for sovereigns against set thresholds, which forms the basis for whether an investment in a sovereign is considered to be aligned with environmental and social characteristics.
Human rights	20. Average human rights performance	Measure of the average human right performance of investee countries using a quantitative indicator explained in the explanation column	61.03	62.87			The indicator is normalised to a rating of 0-100 through Sustainalytics' process of Country Risk Ratings, and measures an average of the following indicators: i) civil liberties (source: Freedom House), ii) degree of peacefulness (source: Vision of Humanity), iii) political rights (source: Freedom House), and iv) ratification of treaties and conventions. A lower value indicates a lower degree of respect for human rights. The 2024 outcome shows a decrease, which partly reflects the ongoing negative trend globally. Coverage is over 80%.	The fund company analyses the principal adverse impacts on sustainability factors for sovereigns against set thresholds, which forms the basis for whether an investment in a sovereign is considered to be aligned with environmental and social characteristics.

Governance	21. Average corruption score	Measure of the perceived level of public sector corruption using a quantitative indicator explained in the explanation column	80.40	80.87			<p>The indicator measures the Gini coefficient, normalised to a rating of 0-100 through Sustainalytics' process of Country Risk Ratings. A lower rating indicates greater economic inequality. The underlying data is obtained by Sustainalytics from the World Bank.</p> <p>The 2024 outcome is basically unchanged compared to 2023. Coverage is over 80%.</p>	The fund company analyses the principal adverse impacts on sustainability factors for sovereigns against set thresholds, which forms the basis for whether an investment in a sovereign is considered to be aligned with environmental and social characteristics.
	22. Non-cooperative tax jurisdictions	Investments in jurisdictions on the EU list of non-cooperative jurisdictions for tax purposes	0.00%	0.00%			<p>Remains at 0%.</p> <p>Coverage is over 80%.</p>	The fund company analyses the principal adverse impacts on sustainability factors for sovereigns against set thresholds, which forms the basis for whether an investment in a sovereign is considered to be aligned with environmental and social characteristics.
	23. Average political stability score	Measure of the likelihood that the current regime will be overthrown by the use of force using a quantitative indicator explained in the explanation column	66.81	66.89			<p>The indicator measures the Gini coefficient, normalised to a rating of 0-100 through Sustainalytics' process of Country Risk Ratings. A lower rating indicates greater economic inequality. The underlying data is obtained by Sustainalytics from the World Bank.</p> <p>The 2024 outcome is basically unchanged compared to 2023. Coverage is over 80%.</p>	The fund company analyses the principal adverse impacts on sustainability factors for sovereigns against set thresholds, which forms the basis for whether an investment in a sovereign is considered to be aligned with environmental and social characteristics.
	24. Average rule of law score	Measure of the level of corruption, lack of fundamental rights, and the deficiencies in civil and criminal justice using a quantitative indicator explained in the explanation column	77.03	75.97			<p>The indicator measures trust in and compliance with the rules of society, in particular the quality of contract enforcement, property rights, police and courts, as well as the likelihood of crime and violence, normalised to a rating of 0-100 through Sustainalytics' process of Country Risk Ratings. A lower rating indicates a</p>	The fund company analyses the principal adverse impacts on sustainability factors for sovereigns against set thresholds, which forms the basis for whether an investment in a sovereign is considered to be aligned with environmental and social characteristics.

							<p>lower rule of law score. The underlying data is obtained by Sustainalytics from the World Bank.</p> <p>The 2024 outcome shows a marginal improvement compared to 2023. Coverage is over 80%.</p>	
<p>Description of policies to identify and prioritise principal adverse impacts on sustainability factors</p> <p>The basis the fund company's identification and prioritisation of principal adverse impacts on sustainability factors is provided in the Policy for Shareholder Engagement and Responsible Investment. The policy is updated and adopted at least annually by the fund company's Board of Directors. The current version of the Policy for Shareholder Engagement and Responsible Investment was approved on 23 May 2025 and is available at Follow our work Handelsbanken.</p> <p>The CEO of the fund company is responsible for implementing the policies and principles of the fund company's strategies and processes. The CEO establishes guidelines for the ongoing sustainability efforts based on the Policy for Shareholder Engagement and Responsible Investment, as adopted by the Board. These guidelines are regularly updated in line with developments in the methodologies and processes of the sustainability efforts. In the regular investment operations, the chief investment officers are responsible for the ongoing identification and prioritisation of principal adverse impacts on sustainability factors. Some of the guidelines consist of the fund company's "Due diligence routines related to sustainability in investment decisions", available at Follow our work Handelsbanken.</p> <p>The fund company is able to identify principal adverse impacts on sustainability factors by regularly following up on the companies' and issuers' compliance with international norms and conventions to ensure alignment with our commitments, as well as by monitoring the performance of the companies and issuers relative to a number of indicators.</p> <p>The assessment made by the fund company is that the fund company's principal adverse impacts include the following sustainability factors: climate, environment, human rights, anti-corruption and employee matters, as well as gender equality.</p> <p>The selection of indicators for principal adverse sustainability impacts is based on the fund company's commitments and the international norms and conventions that the fund company respects. The selection also takes into consideration the fund company's global investment portfolios. In addition, the identification of the indicators intends to take into consideration the likelihood of adverse impacts, their degree of severity, as well as whether the consequences are irreversible.</p> <p>The fund company's process and model for considering PAI indicators are based on analysis of how prioritised the various indicators are for each sector. The analysis is based on a comprehensive mapping at sub-sector level to ensure that the right PAI indicators are prioritised for each sector, and to establish what type of action signal any shortcomings should lead to in this consideration. Several indicators are considered to be prioritised regardless of sector, such as PAI 1.10, "Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises".</p> <p>U Based on the identification and prioritisation of principal adverse impacts on sustainability factors, the fund company takes action through the three main strategies of inclusion, exclusion and engagement. The fund company applies these continuously within its management through:</p> <ul style="list-style-type: none"> Integrating sustainability risks into the investment decisions to avoid investments in companies with high sustainability risks and instead include companies that manage their sustainability risks in an acceptable manner. Screening and exclusion, in which the fund company excludes companies that violate international norms and conventions and/or are involved in controversial sectors through their products and services. Conducting dialogues and asset stewardship to influence companies to manage their sustainability risks and potential adverse impacts on sustainability factors. 								

The documents “Inclusion strategy”, “Exclusion strategy” and “Engagement strategy” are available at [Follow our work | Handelsbanken](#).

Data collection and analysis is based on information from external providers of sustainability data. For this statement, the fund company uses data primarily from ISS ESG and Sustainalytics. The fund company has made the assessment that collecting data from companies directly is not manageable and has instead chosen to engage the services of external providers of sustainability data for this. This data is based on the companies’ public disclosure of information and reporting. In cases where companies do not report, estimates will be made for certain data points. Sustainability data for different areas can be estimated if this can be done reliably. It cannot be ruled out that the estimated values can underestimate as well as overestimate the adverse impacts on sustainability factors.

In addition, the fund company conducts scenario analyses and stress tests on the fund company’s investment portfolios to identify climate risks.

Engagement policies

The starting points for our engagement activities are Handelsbanken’s core values, our commitments and the international norms and conventions that the fund company respects. As a significant investor, the fund company has a responsibility and an opportunity to influence companies to act responsibly and conduct their operations in a sustainable manner, as well as to promote the development of the asset management industry’s sustainability efforts. The fund company engages through company dialogues, asset stewardship and investor networks, as described in our “Engagement strategy” which is available at [Follow our work | Handelsbanken](#). The fund company primarily manages adverse impacts through engagement dialogues and active asset stewardship, and uses both internal and external analysis as the basis for determining how the fund company will vote at shareholders’ meetings.

The fund company uses the identification and prioritisation of principal adverse impacts on sustainability factors (as described above), as well as the sector and geographic exposure of the investments, in order to determine and prioritise the direction of our engagement efforts. Our commitments to international frameworks and principles such as the UN Global Compact and the UN Guiding Principles on Business and Human Rights also provide guidance.

Engagement activities with the potential to make an impact are prioritised, and the fund company’s management of adverse impacts on sustainability factors through engagement includes reactive dialogue when companies are accused of being, or found to be, in violation international norms, as well as proactive dialogue to encourage the improvement of companies’ sustainability efforts, thereby preventing the risk of adverse impacts. During the year, proactive engagement focused primarily on the areas of reduced climate impact, biodiversity and human rights, including employee rights. Within each area, selected companies in sectors with a high risk of causing adverse impacts have been prioritised.

As part of our asset stewardship, we influence companies by participating in nomination committees and voting at shareholders’ meetings. Ahead of annual general meetings, the fund company monitors specific shareholder proposals related to sustainability, such as those regarding the climate issue, gender equality and employee rights.

The fund company intends to more systematically develop clearer processes and routines for ensuring that appropriate actions are taken if the objective of reducing the principal adverse impacts on sustainability factors for the investments with the greatest risk of adverse impacts is not achieved.

References to global standards

The fund company supports international initiatives and guidelines that have the common objective of encouraging and facilitating corporate sustainability. Through Handelsbanken, the fund company is a signatory of the UN Principles for Responsible Investment (UN PRI), and Handelsbanken and the fund company also support the voluntary UN Global Compact initiative. Further, the fund company has signed the Net Zero Asset Managers initiative and set targets to invest in line with the Paris Agreement and reach net-zero greenhouse gas emissions from investment portfolios by 2040. The fund company’s operations are guided by these initiatives and guidelines which, together with the values expressed in our corporate culture, form a clear and common foundation for our asset management.

The following indicators for principal adverse impacts on sustainability factors provide support in measuring the degree of alignment with the Paris Agreement:

- Table 1, indicator 1. GHG emissions
- Table 1, indicator 2. Carbon footprint
- Table 1, indicator 3. GHG intensity of investee companies
- Table 1, indicator 4. Exposure to companies active in the fossil fuel sector
- Table 1, indicator 5. Share of non-renewable energy consumption and production
- Table 1, indicator 6. Energy consumption intensity per high impact climate sector
- Table 1, indicator 15. GHG intensity
- Table 2, indicator 4. Investments in companies without carbon emission reduction initiatives
- Table 2, indicator 5. Breakdown of energy consumption by type of non-renewable sources of energy

Furthermore, the following indicators provide support in measuring the degree of compliance with the UN Global Compact (UNGC):

- UNGC principles 1 and 2:
 - Table 3, indicator 9. Lack of a human rights policy
 - Table 3, indicator 10. Lack of due diligence
 - Table 3, indicator 11. Lack of processes and measures for preventing trafficking in human beings
 - Table 3, indicator 12. Operations and suppliers at significant risk of incidents of child labour
 - Table 3, indicator 13. Operations and suppliers at significant risk of incidents of compulsory labour
 - Table 3, indicator 14. Number of identified cases of severe human rights issues and incidents
- UNGC principles 3-6:
 - Table 3, indicator 1. Investments in companies without workplace accident prevention policies
 - Table 3, indicator 2. Rate of accidents
 - Table 3, indicator 3. Number of days lost to injuries, accidents, fatalities or illness
 - Table 3, indicator 4. Lack of a supplier code of conduct
 - Table 3, indicator 5. Lack of grievance/complaints handling mechanism related to employee matters
 - Table 3, indicator 6. Insufficient whistleblower protection
 - Table 3, indicator 7. Incidents of discrimination
 - Table 3, indicator 8. Excessive CEO pay ratio
- UNGC principles 7-9:
 - Table 1, indicator 1. GHG emissions
 - Table 1, indicator 2. Carbon footprint
 - Table 1, indicator 3. GHG intensity of investee companies
 - Table 1, indicator 4. Exposure to companies active in the fossil fuel sector
 - Table 1, indicator 5. Share of non-renewable energy consumption and production
 - Table 1, indicator 6. Energy consumption intensity per high impact climate sector
 - Table 1, indicator 7. Activities negatively affecting biodiversity-sensitive areas
 - Table 1, indicator 8. Emissions to water
 - Table 1, indicator 9. Hazardous waste and radioactive waste ratio
- UNGC principle 10:
 - Table 3, indicator 15. Lack of anti-corruption and anti-bribery policies

- Table 3, indicator 16. Cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery
- Table 3, indicator 17. Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws
- UNGC principles 1-10:
 - Table 1, indicator 10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
 - Table 1, indicator 11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises

The following indicators provide support in measuring risk of impacts on biodiversity and ecosystems, through drivers of nature change in accordance with the guidelines of the Taskforce on Nature-related Financial Disclosures (TNFD, [Guidance for Financial Institutions](#)):

- Climate change:
 - Table 1, indicator 1. GHG emissions
- Land/freshwater/ocean use change:
 - Table 2, indicator 10. Land degradation, desertification, soil sealing
 - Table 2, indicator 15. Deforestation
- Pollution:
 - Table 1, indicator 8. Emissions to water
 - Table 1, indicator 9. Hazardous waste and radioactive waste ratio
 - Table 2, indicator 1. Emissions of inorganic pollutants
 - Table 2, indicator 2. Emissions of air pollutants
 - Table 2, indicator 3. Emissions of ozone-depleting substances
 - Table 2, indicator 13. Non-recycled waste ratio
- Resource use:
 - Table 2, indicator 6. Water usage and recycling
 - Table 2, indicator 7. Investments in companies without water management policies
 - Table 2, indicator 8. Exposure to areas of high water stress
 - Table 2, indicator 11. Investments in companies without sustainable land/agriculture practices
 - Table 2, indicator 12. Investments in companies without sustainable oceans/seas practices
- State of nature:
 - Table 1, indicator 7. Activities negatively affecting biodiversity-sensitive areas
 - Table 2, indicator 14. Natural species and protected areas

With regard to climate scenario analysis, the fund company has during 2024 used tools from ISS ESG for analysis of both transition risks and physical risks. In both cases, the main scenarios that are used come from the International Energy Agency (IEA). The results of the climate scenario analysis are presented in Handelsbanken Fonder's annual climate report, which is produced in accordance with the TCFD's recommendations and is available at [Follow our work | Handelsbanken](#).

Historical comparison

It is noted in the fund company's historical comparison that data coverage has generally improved in 2024 compared to 2023, and for a number of indicators, data coverage has only increased marginally. The degree of data coverage for the different indicators affects the conclusions that can be drawn in the historical comparison and the expectation is that the outcomes, in general, may be volatile until the coverage rate reaches a higher level. Regarding the data points where historical data is available, the fund company can state that for PAI indicators that include climate emissions in Scope 1 and 2, there has been a decrease in 2024 compared to 2023; as regards indicators

for or including Scope 3, there has been an increase in 2024 compared to 2023. It is positive that more companies are reporting data seeing as this better discloses the companies' climate impact.

For several indicators related to corporate governance, there are marginal differences between the 2024 outcome and the 2023 outcome. For exact outcomes for 2024 and previous years, please see the comments for each indicator.

For 2024, the fund company has expanded Table 2 with additional indicators, which are thus reported for the first time. An indicator in Table 2 where which the fund company is able to historically compare is "Investments in companies without carbon emission reduction initiatives", where the fund company notes a continued improvement in 2024 compared to previous years.

In Table 3, the fund company has expanded to include several new indicators, for which historical comparisons will be made in the coming years. For the indicators with available historical data, it is noted that the "Lack of a human rights policy" indicator regarding investments in investee companies has further improved in 2024 compared with the 2023 outcome, which demonstrates a continued positive trend. The fund company notes that companies are generally increasing and improving their reporting, which is positive as this provides a better basis for the fund company's investment decisions.

Note that the outcomes for 2024 and previous years with available data are reported point by point in the section "Description of the principal adverse impacts on sustainability factors" where historical data is available. Also note that additional indicators have been added for this reporting period and therefore the development of these will be explained in the next report.

Stockholm, 27 June 2025



Magdalena Wahlqvist Alveskog

Chief Executive Officer