



# Handelsbanken Euro Ränta

## Management Report

### Investment Focus

The fund is actively managed, which means that the portfolio manager takes active, independent investment decisions. The long term objective of the fund is to exceed the returns of the underlying market, defined as the benchmark index. Fund returns are determined by how the fund's investments in interest-bearing instruments increase or decrease in value. The fund invests in interest-bearing securities issued by states and companies that are denominated in euro. The fund's investments shall have a minimum credit rating of BBB- (Investment grade) in accordance with Standard & Poor's or Baa3 in accordance with Moody's, alternatively an equivalent creditworthiness assessed internally. The average residual fixed interest duration for the fund's investments may be a maximum of one year. International norms and guidelines with regard to the environment, social responsibility and corporate governance are taken into consideration within the scope of the fund's investment focus. The fund applies an exclusion strategy in companies active within the fossil fuels, military equipment, tobacco, cannabis, alcohol, commercial gambling and pornography areas/sectors. The fund may invest in sustainable, social and green bonds issued by companies involved in power generation from fossil fuels. The fund may invest in derivative instruments as part of its investment focus. The fund may invest a maximum of 10% of the fund capital in fund units. We compare the fund's performance with Solactive European 3M Interbank Money Market Index. As the fund is actively managed the performance will over time deviate from this index. Additional information about the sustainability work, the share class designation in parentheses and the management in relation to the funds benchmark index and risk level, may be found in the prospectus.

### Activity level

The fund is a fixed income fund, whereby the fund manager takes active positions in the fixed income market for the purpose of generating higher returns than the fund's benchmark index. The fund management is based on an ongoing assessment of the financial and macroeconomic conditions and results in a strategic and tactical investment focus. If the fund manager believes market rates will be falling, a longer fixed interest period will be selected and conversely, a shorter fixed interest period will be chosen if market rates are expected to rise. The positions can also take advantage of the changes in the difference between market rates with various durations or between various issuers. The fund invests in financial instruments irrespective of whether or not these are included in the benchmark index.

The activity level in a fund is calculated through the use of the tracking error measurement. Tracking error is defined as the volatility in the difference between the fund's returns and the returns of the benchmark index. Tracking error is calculated according to industry standards, is based on the monthly data and reflects the past 24 months. A higher deviation in returns from the benchmark index gives a higher tracking error. The level of the tracking error differs between different types of funds (actively-managed funds, index funds, etc.) and fund categories (e.g., equities or fixed income), given that the risk levels of the underlying markets differ from each other.

### Explanation of achieved active risk

The fund has taken the tracking error that is deemed suitable for the purpose of attaining the fund's active return objective. The tracking error in recent years has been slightly higher than in previous years due to the tightening of the central banks, stress in the banking system, high inflation and war in Europe, which have created high volatility in interest rates, credit spreads and currencies.

### Portfolio

The fund rose by 3.7% in 2023\*. The benchmark index rose by 3.5% over the same period. The fund outperformed its benchmark index after taking into account management fees, primarily due to the fund's longer duration relative to its benchmark index, which contributed positively when interest rates declined sharply during the latter part of the year. Risk sentiment in the market increased during the same period, which had a positive impact on corporate bonds as the fund consists primarily of exposure to corporate bonds with short duration and low credit risk.

2023 was a turbulent year in the market with high volatility in many asset classes, not least the fixed income market. Our outlook was that inflation would remain high at the outset of the year and push up rates, making it more difficult for companies with regard to profitability and refinancing. We continue to stand behind this outlook to some extent. Inflation data has been stronger than market expectations during the year and the central banks have taken action thereafter with a number of rate hikes and the sale of the bonds previously purchased by the central banks. At the same time, we have had a watchful eye on the labor market, which remains very strong. Interest rate movement during the year was in a clear upward trend until November, with the exception of March when the market was concerned about a new global bank crisis. Interest rates fell sharply, which resulted in the weak performance of our position for rising interest rates. The sharp upward movement during the year has worked very well with our holdings in commercial paper issued by strong Nordic companies and the asset class posted the most strength during the year. Throughout most of the year there has been the question in the market of how the economy would manage rate hikes. As the year progressed, we became more convinced of a soft landing where the longer rates would rise more than the short. The US central bank, the Federal Reserve, held its key rate unchanged at the beginning of November, which was interpreted as that the peak has been reached in the interest rate cycle. This began a sharp shift in sentiment and a significantly higher risk appetite. The last two months of the year were characterized by declining rates and a sharp narrowing of credit spreads, which was favorable for the fund's performance.

\* The fund may have additional share classes, the concerned share class is stated in the Fund facts. Refer to fund statistics for comparable index

### Significant risks

The fund is a fixed income fund and an investment in fixed income securities or in a fixed income fund is associated with interest rate risk, which means that when the general interest rate rises, it have negative impact on the fund's returns. A fund that invests in fixed income instruments with a long residual fixed interest duration has a higher interest rate risk than a fund that invests in fixed income instruments with a shorter residual fixed interest duration. The average residual fixed interest duration over time for holdings in the fund shall be less than 1 year. Given that the fund consists of different share classes, the changes in exchange rates can result in a differentiation in risk classifications between different share classes depending on the type of currency in which the share class is traded. An investment in an fixed income instrument results in a credit risk, as the fund can be affected by a loss due to an issuer not fulfilling its commitments. The credit risk is higher when the fund's proportion of assets in fixed income securities issued by companies or states with a low credit quality is high. The fund only invests in fixed income investments with high credit worthiness, so-called investment grade.

The fund may invest in derivatives as part of its investment focus to increase returns in the fund and to create leverage. Investments in derivatives can increase the fund's sensitivity to market fluctuations.

The sustainability risk, i.e., an environmental-, social- or corporate governance-related event or condition that could cause an actual or potential significant adverse impact on a company's value, is managed

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through the inclusion of companies based on sustainability analyses, exclusion, as well as engagement in the form of dialogue and active corporate governance. The sustainability risks are systematically measured and followed up by the Management Company. If a sustainability risk occurs, it can have an actual or potential adverse impact on the value of an investment. Examples of sustainability risks include the consequences of environmental degradation (e.g., ban that requires the adaptation or sale of business operations, lower demand, difficulties in obtaining financing or physical risks that deplete resources and natural disasters), the consequences of human rights violations, workers' rights, equality, corruption and bribes, as well as the consequences of inadequate corporate governance. Accordingly, environmental-, social-, and governance-related events can arise from a company's own business operations as well as from events that occur independently of the company.

The sustainability risk in the fund is measured using Sustainalytics' methodology to assess sustainability risks. During the year, the overall sustainability risk for the fund is considered to be low and is 19,85 on a scale of 0 to 100.

### Trading with derivatives

According to the fund rules, the fund may trade with derivatives as part of its investment focus. The fund did use this option during 2023. The fund has the option of lending securities. The fund did not use this option during 2023. The fund may use other techniques and instruments. The fund did not use this option during 2023.

- Highest leverage during the financial year 42.5%
- Lowest leverage during the financial year 0.0%
- Average leverage during the financial year 28.7%

### Information

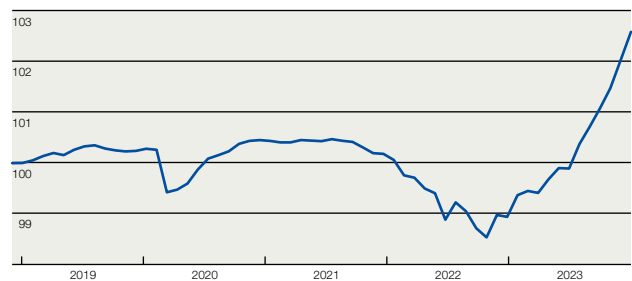
The fund promotes environmental or social characteristics. The appendix to this annual report includes the detailed sustainability-related disclosures that shall be provided by the fund pursuant to Article 8 in the EU regulation 2019/2088 on sustainability-related disclosures in the financial services sector (SFDR).

The fund's historical performance prior to the launch date is attributed to the merger between Placeringsfonden Handelsbanken Euro Ränta (Finland) and Handelsbanken Euro Ränta (Sweden) that occurred on September 26, 2014.

Since the changes in tax regulations for Swedish funds (2012) and due to developments within the area of taxation, it is unclear how foreign distributions will be taxed. Refer to the general pages at the end of the composite fund report for additional information.

Information on remuneration to employees can be found at the end of this report and at [www.handelsbankenfonder.se](http://www.handelsbankenfonder.se), under Follow our work/Policies, guidelines and other information.

### Fund performance\*



\* The graph is indexed with starting value 100. Performance is shown in the fund's base currency. The fund may have several share classes.

### Fund facts - history

|                                  | 1/1-31/12<br>2023 | 2022     | 2021     | 2020     | 2019     | 2018     | 2017     | 2016     | 2015     | 2014     |
|----------------------------------|-------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Net asset value, EUR             |                   |          |          |          |          |          |          |          |          |          |
| Euro Ränta A1 - SEK              | 2,225.89          | 2,144.30 | 2,010.32 | 1,967.31 | 2,052.87 | 1,975.26 | 1,925.03 | 1,883.98 | 1,803.23 | 1,869.82 |
| Euro Ränta A1 - EUR              | 199.95            | 192.83   | 195.25   | 195.78   | 195.37   | 194.90   | 195.80   | 196.62   | 196.90   | 197.39   |
| Euro Ränta A9 - EUR              | 200.65            | 193.32   | 195.55   | 195.89   | -        | -        | -        | -        | -        | -        |
| Euro Ränta A10 - EUR             | 201.77            | 194.30   | 196.45   | 196.69   | 195.98   | 195.21   | -        | -        | -        | -        |
| The fund's total net flow, EUR m | -99               | 32       | 80       | -71      | 70       | 74       | -61      | -6       | 39       | -14      |
| Fund capital total, EUR m        | 148               | 241      | 212      | 133      | 204      | 133      | 59       | 121      | 127      | 88       |
| Euro Ränta A1 - SEK              | 319               | 388      | 142      | 156      | 170      | 145      | 265      | 39       | 39       | 30       |
| Euro Ränta A1 - EUR              | 96                | 145      | 141      | 93       | 138      | 86       | 16       | 95       | 103      | 73       |
| Euro Ränta A9 - EUR              | 5                 | 5        | 5        | 7        | -        | -        | -        | -        | -        | -        |
| Euro Ränta A10 - EUR             | 19                | 56       | 53       | 18       | 41       | 23       | -        | -        | -        | -        |
| Number of units total, 1000's    | 741               | 1,250    | 1,087    | 681      | 1,044    | 683      | 301      | 613      | 643      | 446      |
| Euro Ränta A1 - SEK              | 143               | 181      | 71       | 79       | 83       | 73       | 138      | 21       | 21       | 16       |
| Euro Ränta A1 - EUR              | 480               | 750      | 724      | 475      | 706      | 443      | 84       | 482      | 523      | 369      |
| Euro Ränta A9 - EUR              | 23                | 28       | 23       | 34       | -        | -        | -        | -        | -        | -        |
| Euro Ränta A10 - EUR             | 95                | 291      | 268      | 93       | 209      | 120      | -        | -        | -        | -        |
| Total returns in %               |                   |          |          |          |          |          |          |          |          |          |
| Euro Ränta A1 - SEK              | 3.8               | 6.7      | 2.2      | -4.2     | 3.9      | 2.6      | 2.2      | 4.5      | -3.6     | 7.0      |
| Euro Ränta A1 - EUR              | 3.7               | -1.2     | -0.3     | 0.2      | 0.2      | -0.5     | -0.4     | -0.1     | -0.3     | -0.1     |
| Euro Ränta A9 - EUR              | 3.8               | -1.1     | -0.2     | 0.3      | -        | -        | -        | -        | -        | -        |
| Euro Ränta A10 - EUR             | 3.8               | -1.1     | -0.1     | 0.4      | 0.4      | -0.3     | -0.1     | 0.2      | 0.0      | 0.2      |
| Index including dividends in %   |                   |          |          |          |          |          |          |          |          |          |
| Euro Ränta A1 - SEK              | 3.6               | 8.4      | 1.9      | -4.8     | 3.3      | 2.9      | 2.2      | 4.4      | -3.3     | 7.3      |
| Euro Ränta A1 - EUR              | 3.5               | 0.3      | -0.6     | -0.4     | -0.4     | -0.2     | -0.4     | -0.3     | 0.0      | 0.2      |
| Euro Ränta A9 - EUR              | 3.5               | 0.3      | -0.6     | -0.4     | -        | -        | -        | -        | -        | -        |
| Euro Ränta A10 - EUR             | 3.5               | 0.3      | -0.6     | -0.4     | -0.4     | -0.2     | -0.4     | -0.3     | 0.0      | 0.2      |
| Tracking error, 2 yrs. %         |                   |          |          |          |          |          |          |          |          |          |
| Euro Ränta A1 - SEK              | 0.8               | 0.7      | 0.7      | 0.7      | 0.2      | 0.2      | 0.1      | 0.1      | 0.1      | 0.2      |
| Euro Ränta A1 - EUR              | 0.8               | 0.7      | 0.7      | 0.7      | 0.2      | 0.2      | 0.1      | 0.1      | 0.1      | 0.2      |
| Euro Ränta A9 - EUR              | 0.8               | 0.7      | -        | -        | -        | -        | -        | -        | -        | -        |
| Euro Ränta A10 - EUR             | 0.8               | 0.7      | 0.7      | 0.7      | 0.2      | 0.2      | -        | -        | -        | -        |
| Average yearly return, 2 yrs. %  |                   |          |          |          |          |          |          |          |          |          |
| Euro Ränta A1 - SEK              | 5.2               | 4.4      | -1.0     | -0.2     | 3.3      | 2.4      | 3.3      | 0.4      | 1.6      | 5.1      |
| Euro Ränta A1 - EUR              | 1.2               | -0.8     | 0.0      | 0.2      | -0.1     | -0.4     | -0.3     | -0.2     | -0.2     | 0.0      |
| Euro Ränta A9 - EUR              | 1.3               | -0.7     | -        | -        | -        | -        | -        | -        | -        | -        |
| Euro Ränta A10 - EUR             | 1.3               | -0.6     | 0.1      | 0.4      | 0.1      | -0.2     | -        | -        | -        | -        |

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|  |       |       |       |       |       |       |      |      |      |      |
|--|-------|-------|-------|-------|-------|-------|------|------|------|------|
| Comparison to index including dividends, % |       |       |       |       |       |       |      |      |      |      |
| SEK  | 6.0   | 5.1   | -1.5  | -0.8  | 3.1   | 2.6   | 3.3  | 0.4  | 1.8  | 5.3  |
| EUR  | 1.9   | -0.1  | -0.5  | -0.4  | -0.3  | -0.3  | -0.3 | -0.1 | 0.1  | 0.2  |
| Average yearly return, 5 yrs. %            |       |       |       |       |       |       |      |      |      |      |
| Euro Rånta A1 - SEK                        | 2.4   | 2.2   | 1.3   | 1.8   | 1.9   | 2.5   | 2.6  | 1.7  | 0.8  | -0.8 |
| Euro Rånta A1 - EUR                        | 0.5   | -0.3  | -0.1  | -0.1  | -0.2  | -0.3  | -0.2 | 0.2  | 0.5  | 0.8  |
| Euro Rånta A10 - EUR                       | 0.7   | -0.1  | 0.1   | 0.1   | 0.0   | 0.0   | -    | -    | -    | -    |
| Comparison to index including dividends, % |       |       |       |       |       |       |      |      |      |      |
| SEK  | 2.4   | 2.2   | 1.1   | 1.5   | 1.8   | 2.6   | 2.7  | 1.6  | 0.8  | -1.0 |
| EUR  | 0.5   | -0.2  | -0.4  | -0.3  | -0.2  | -0.1  | -0.1 | 0.1  | 0.5  | 0.6  |
| Average yearly return, 10 yrs. %           |       |       |       |       |       |       |      |      |      |      |
| Euro Rånta A1 - SEK                        | 2.4   | 2.4   | 1.5   | 1.3   | 0.5   | -0.2  | -0.5 | -    | -    | -    |
| Euro Rånta A1 - EUR                        | 0.1   | -0.2  | 0.0   | 0.2   | 0.3   | 0.7   | -0.9 | -0.7 | -0.5 | -0.3 |
| Euro Rånta A10 - EUR                       | 0.3   | 0.0   | 0.3   | 0.4   | 0.6   | 1.0   | -    | -    | -    | -    |
| Comparison to index including dividends, % |       |       |       |       |       |       |      |      |      |      |
| SEK  | 2.5   | 2.5   | 1.3   | 1.2   | 0.4   | -0.4  | 1.3  | -    | -    | -    |
| EUR  | 0.2   | -0.2  | -0.1  | 0.1   | 0.2   | 0.4   | 0.9  | 1.3  | 1.7  | 1.9  |
| Exchange rate EUR/SEK                      |       |       |       |       |       |       |      |      |      |      |
|  | 11.13 | 11.12 | 10.30 | 10.05 | 10.51 | 10.13 | 9.83 | 9.58 | 9.16 | 9.47 |

Historically, the fund may have had share classes that have now been terminated and are not available under Fund facts - history. Therefore, both Number of units in total, thousands and Fund capital total can deviate from the sum of displayed share classes.

Benchmark: Solactive European 3M Interbank Money Market Index

Up to 2018-05-31: EUR Libor 3 month index

Up to 2019-02-28: Bloomberg Barclays Euro Treasury 0-12 Months

The fund's benchmark represents a comparable reference with regard to the fund's investment focus, types of assets, markets or relevant sectors. In the event the fund issues dividends, performance is calculated with distributions added back.

Detailed information for the share classes' designation (nomenclature) is provided in the information provided by the Management Company.

Refer to the last pages for definitions.

## Fund facts - costs

|  |      |
|--|------|
| Max. allowed mgmt. costs in % according to fund rules          |      |
| Euro Rånta A1  | 0.20 |
| Euro Rånta A9  | 0.10 |
| Euro Rånta A10   | 0.05 |
| Collected mgmt. costs in % of average fund capital             |      |
| Euro Rånta A1  | 0.20 |
| Euro Rånta A9  | 0.10 |
| Euro Rånta A10   | 0.05 |
| Management fees and other administrative or operating costs, % |      |
| Euro Rånta A1  | 0.20 |
| Euro Rånta A9  | 0.10 |
| Euro Rånta A10   | 0.05 |
| Transaction costs, EUR thousand                                |      |
|  | 4    |
| Transaction costs in % of turnover                             |      |
|  | 0.00 |
| Costs in EUR for a one-time subscription, 1 000 EUR            |      |
| Euro Rånta A1  | 2.03 |
| Euro Rånta A9  | 1.01 |
| Euro Rånta A10   | 0.51 |
| Costs in EUR for monthly savings, 10 EUR                       |      |
| Euro Rånta A1  | 0.13 |
| Euro Rånta A9  | 0.07 |
| Euro Rånta A10   | 0.03 |

## Fund facts - other key figures

|   |     |
|---|-----|
| Turnover rate   | 1.0 |
| Share of turnover conducted via closely-related securities companies in %       | 7.6 |
| Share of turnover conducted between funds managed by Handelsbanken Fonder AB, % | 0.0 |

## Risk and return measurements\*

|                                 |  |                                 |          |
|---------------------------------|--|---------------------------------|----------|
| Total risk % - A1 SEK           | 7.0  | Information ratio - A1 SEK      | Negative |
| Total risk % - A1 EUR           | 1.1  | Information ratio - A1 EUR      | Negative |
| Total risk % - A9 EUR           | 1.1  | Information ratio - A9 EUR      | Negative |
| Total risk % - A10 EUR          | 1.1  | Information ratio - A10 EUR     | Negative |
| Total risk in index % - A1 SEK  | 7.4  | Sharpe ratio - A1 SEK           | 0.5      |
| Total risk in index % - A1 EUR  | 0.5  | Sharpe ratio - A1 EUR           | -0.7     |
| Total risk in index % - A9 EUR  | 0.5  | Sharpe ratio - A9 EUR           | -0.6     |
| Total risk in index % - A10 EUR | 0.5  | Sharpe ratio - A10 EUR          | -0.5     |
| Benchmark                       | Solactive European 3M Interbank Money Market Index | Sharpe ratio in index - A1 SEK  | 0.6      |
|                                 |  | Sharpe ratio in index - A1 EUR  | 0.0      |
|                                 |  | Sharpe ratio in index - A9 EUR  | 0.0      |
|                                 |  | Sharpe ratio in index - A10 EUR | 0.0      |
| Active return % - A1 SEK        | -0.8   | Duration, year                  | 0.5      |
| Active return % - A1 EUR        | -0.7   | Spread exposure %               | 1.0      |
| Active return % - A9 EUR        | -0.6   |                                 |          |
| Active return % - A10 EUR       | -0.6   |                                 |          |

\* Risk statistics are based on historical monthly returns over two years. Refer to the last page for definitions. Total exposure in the fund is calculated in accordance with the commitment method.

Total exposure in the fund is calculated in accordance with the commitment method.

## Income Statement, EUR thousand

|   | 2023         | 2022          |
|---|--------------|---------------|
| <b>INCOME AND CHANGES IN VALUE</b>                    |              |               |
| Changes in value for transferable securities *        | 2,545        | -5,472        |
| Changes in value for OTC derivative instruments **    | -55          | -             |
| Changes in value for other derivative instruments *** | -725         | 918           |
| Interest income                                       | 4,634        | 2,231         |
| Dividends   | 0            | 0             |
| Currency exchange profits and losses, net             | 111          | 179           |
| Other income  | 2            | 0             |
| <b>Total income and changes in value</b>              | <b>6,514</b> | <b>-2,144</b> |
| <b>EXPENSES</b>                                       |              |               |
| Management costs:                                     |              |               |
| - Remuneration to the Management Company              | 295          | 363           |
| Interest expense                                      | 52           | 43            |
| Other expenses  | 4            | 4             |
| <b>Total expenses</b>                                 | <b>352</b>   | <b>409</b>    |
| <b>Net income</b>                                     | <b>6,162</b> | <b>-2,553</b> |
| <b>* Details of changes in value</b>                  |              |               |
| Capital gains   | 194          | 0             |
| Capital losses  | -2,695       | -2,091        |
| Unrealised gains/losses                               | 5,047        | -3,381        |
| <b>Sum</b>  | <b>2,545</b> | <b>-5,472</b> |
| <b>** Details of changes in value</b>                 |              |               |
| Unrealised gains/losses                               | -55          | -             |
| <b>Sum</b>  | <b>-55</b>   | <b>-</b>      |
| <b>*** Details of changes in value</b>                |              |               |
| Capital gains   | 262          | 1,406         |
| Capital losses  | -890         | -488          |
| Unrealised gains/losses                               | -97          | -             |
| <b>Sum</b>  | <b>-725</b>  | <b>918</b>    |

## Balance sheet, EUR thousand

|  | 31 dec 2023    | % of fund capital | 31 dec 2022    | % of fund capital |
|--|----------------|-------------------|----------------|-------------------|
| <b>ASSETS</b>  |                |                   |                |                   |
| Transferable securities  | 114,712        | 77.3              | 170,103        | 70.4              |
| Money market instruments   | 30,707         | 20.7              | 45,538         | 18.9              |
| OTC derivative instruments with positive market value                            | 67             | 0.0               | -              | -                 |
| <b>Total financial instruments with positive market value</b> <sup>Note 2)</sup> | <b>145,486</b> | <b>98.0</b>       | <b>215,641</b> | <b>89.3</b>       |
| Bank assets and other liquid assets  | 1,758          | 1.2               | 24,849         | 10.3              |
| Prepaid expenses and accrued income  | 1,319          | 0.9               | 1,037          | 0.4               |
| <b>Total assets</b>  | <b>148,563</b> | <b>100.1</b>      | <b>241,526</b> | <b>100.0</b>      |
| <b>LIABILITIES</b>   |                |                   |                |                   |
| OTC derivative instruments with negative market value                            | 122            | 0.1               | -              | -                 |
| <b>Total financial instruments with negative market value</b>                    | <b>122</b>     | <b>0.1</b>        | <b>-</b>       | <b>-</b>          |
| Accrued expenses and prepaid income  | 23             | 0.0               | 33             | 0.0               |
| <b>Total liabilities</b>   | <b>145</b>     | <b>0.1</b>        | <b>33</b>      | <b>0.0</b>        |
| <b>Fund capital</b> <sup>Note 1)</sup>   | <b>148,418</b> | <b>100.0</b>      | <b>241,493</b> | <b>100.0</b>      |

Note 1) for Balance sheet

## ITEMS INCLUDED IN THE BALANCE SHEET

|   |     |     |   |
|---|-----|-----|---|
| Collateral provided for OTC derivatives <sup>1)</sup>   | 175 | 0.1 | - |
| Collateral provided for other derivatives <sup>2)</sup> | 100 | 0.1 | - |

1) Cash and cash equivalents EUR 175 t

2) Cash and cash equivalents EUR 100 t

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## Changes in fund capital, EUR thousand

|  | 2023           | 2022           |
|--|----------------|----------------|
| Fund capital at beginning of year              | 241,493        | 212,485        |
| Units issued <sup>1)</sup>                     | 73,646         | 146,964        |
| Units redeemed <sup>1)</sup>                   | -172,883       | -115,404       |
| Profit according to income statement           | 6,162          | -2,553         |
| Dividends to unit holders                      | 0              | 0              |
| <b>Fund capital at the close of the period</b> | <b>148,418</b> | <b>241,493</b> |

1) Of which EUR 178 t relates to internal moves between share classes

Note 2) for Balance sheet

## Fund holdings in financial instruments

## Transferable securities admitted to trading on a regulated market or equivalent market outside the EEA 76.6

|  | Number/Nominal amount in 1000's | Market value EUR t | % of fund capital |
|--|---------------------------------|--------------------|-------------------|
| <b>LISTED FIXED-INCOME SECURITIES</b>    |                                 |                    |                   |
| FOREIGN ISSUER, OTHERS                   |                                 |                    |                   |
| ABB Financial Services 0,625% 2024-03-31 | 5,000                           | 4,959              | 3.3               |
| ABB Financial Services 3,25% 2027-01-16  | 1,250                           | 1,264              | 0.9               |
| ABN AMRO Bank FRN 2025-01-10             | 2,100                           | 2,104              | 1.4               |
| Adidas 3% 2025-11-21                     | 1,500                           | 1,502              | 1.0               |
| Aktia Bank FRN 2024-04-22                | 3,000                           | 3,002              | 2.0               |
| Aktia Bank FRN 2025-01-20                | 6,000                           | 6,000              | 4.0               |
| BNP Paribas 0,5% 2026-06-04              | 1,000                           | 956                | 0.6               |
| Castellum Helsinki 2,00% 2025-03-24      | 3,000                           | 2,895              | 2.0               |
| Coca-Cola HBC Finance 2,75% 2025-09-23   | 3,000                           | 2,972              | 2.0               |
| Daimler IntFin 3,5% 2026-05-30           | 1,300                           | 1,314              | 0.9               |
| Danske Bank 1,375% 2027-02-17            | 2,000                           | 1,906              | 1.3               |
| Danske Bank FRN 2025-08-11               | 3,000                           | 3,000              | 2.0               |
| Jyske Bank 4,625% 2025-04-11             | 2,000                           | 2,018              | 1.4               |
| Kemira 1,75% 2024-05-30                  | 2,000                           | 1,980              | 1.3               |
| LeasePlan 1,375% 2024-03-07              | 1,700                           | 1,692              | 1.1               |
| Medtronic Global 0,25% 2025-07-02        | 2,000                           | 1,908              | 1.3               |
| Metso 1,125% 2024-06-13                  | 2,500                           | 2,462              | 1.7               |
| Oma Saastopankki 5% 2024-09-26           | 500                             | 500                | 0.3               |
| Oma Saastopankki FRN 2025-05-19          | 2,000                           | 1,980              | 1.3               |
| OP Corporate Bank 0,125% 2024-07-01      | 925                             | 907                | 0.6               |
| OP Corporate Bank 0,375% 2024-02-26      | 500                             | 497                | 0.3               |
| Orsted 3,625% 2026-03-01                 | 1,830                           | 1,838              | 1.2               |
| S-Pankki FRN 2025-04-04                  | 2,500                           | 2,471              | 1.7               |
| SATO 1,375% 2024-05-31                   | 500                             | 489                | 0.3               |
| Stora Enso 4% 2026-06-01                 | 1,429                           | 1,445              | 1.0               |
| Sydbank 4,75% 2025-09-30                 | 2,000                           | 2,006              | 1.4               |
| Telefonica Emisiones 1,069% 2024-02-05   | 5,200                           | 5,186              | 3.5               |
| Toyota Motor Fin 3,375% 2026-01-13       | 2,000                           | 2,008              | 1.4               |
| Vestas Wind Systems 4,125% 2026-06-15    | 1,250                           | 1,271              | 0.9               |
| VW Intl Finance 3,125% 2025-03-28        | 2,700                           | 2,684              | 1.8               |
| VW Intl Finance 3,875% 2026-03           | 1,600                           | 1,612              | 1.1               |
| VW Intl Finance 4,125% 2025-11           | 1,500                           | 1,519              | 1.0               |
|  | <b>68,348</b>                   | <b>46.1</b>        |                   |
| OTHER                                    |                                 |                    |                   |
| Alfa Laval 0,25% 2024-06-25              | 500                             | 491                | 0.3               |
| Assa Abloy 0,4% 2024-09-16               | 2,000                           | 1,942              | 1.3               |
| Essity 1,125% 2024-03-27                 | 1,000                           | 993                | 0.7               |
| Handelsbanken 0,125% 2024-06-18          | 2,300                           | 2,260              | 1.5               |
| Länsförsäkringar 4% 2027-01-18           | 1,500                           | 1,525              | 1.0               |
| Rikshem 1,25% 2024-06-28                 | 6,000                           | 5,895              | 4.0               |
| Sagax 2% 2024-01-17                      | 948                             | 947                | 0.6               |
| SBAB 4,875% 2026-06-26                   | 2,800                           | 2,829              | 1.9               |
| Scania 2,25% 2025-06-03                  | 6,000                           | 5,876              | 4.0               |
| SEB 1,75% 2026-11-11                     | 460                             | 442                | 0.3               |
| SEB 4% 2026-11-09                        | 1,600                           | 1,628              | 1.1               |
| SEB FRN 2025-06-13                       | 6,000                           | 6,017              | 4.1               |
| SKF 1,25% 2025-09-17                     | 2,025                           | 1,955              | 1.3               |
| Swedbank 3,75% 2025-11-14                | 1,500                           | 1,513              | 1.0               |
| Vattenfall 3,25% 2024-04-18              | 2,500                           | 2,494              | 1.7               |
| Volvo Treasury 0,625% 2025-02-14         | 2,000                           | 1,936              | 1.3               |
| Volvo Treasury 0% 2024-05-09             | 2,500                           | 2,465              | 1.7               |
| Volvo Treasury 3,5% 2025-11-17           | 646                             | 649                | 0.4               |
| Volvo Treasury 3,875% 2026-08-29         | 1,500                           | 1,528              | 1.0               |
| Volvo Treasury FRN 2025-03-30            | 2,000                           | 2,003              | 1.3               |
|  | <b>45,388</b>                   | <b>30.6</b>        |                   |
| Listed fixed-income securities           |                                 | <b>113,735</b>     | <b>76.6</b>       |

## Other financial instruments admitted to trading on a regulated market or equivalent market outside the EEA 0.0

|                                 | Underlying Exposure EUR t | Market value EUR t | % of fund capital |
|---------------------------------|---------------------------|--------------------|-------------------|
| <b>INTEREST RATE FUTURES</b>    |                           |                    |                   |
| Euro-Schatz Future Mar 2024     | -16,165                   | 0                  | 0.0               |
| Interest rate futures           |                           | 0                  | 0.0               |
|                                 | Underlying Exposure EUR t | Market value EUR t | % of fund capital |
| <b>INTEREST SWAP, OTC</b>       |                           |                    |                   |
| Interest Rate Swap-EUR-20260320 | 23,000                    | 67                 | 0.0               |
| Interest Rate Swap-EUR-20290320 | -10,000                   | -122               | -0.1              |
| Interest swap, OTC              |                           | <b>-55</b>         | <b>0.0</b>        |

## Transferable securities that are traded regularly on any other market which is regulated and open to the public 0.7

|                                       | Number/Nominal amount in 1000's | Market value EUR t | % of fund capital |
|---------------------------------------|---------------------------------|--------------------|-------------------|
| <b>LISTED FIXED-INCOME SECURITIES</b> |                                 |                    |                   |
| OTHER                                 |                                 |                    |                   |
| Mölnlycke Holding 1,875% 2025-02-28   | 1,000                           | 977                | 0.7               |
|                                       |                                 | <b>977</b>         | <b>0.7</b>        |
| Listed fixed-income securities        |                                 | <b>977</b>         | <b>0.7</b>        |

## Other financial instruments 20.7

|   | Number/Nominal amount in 1000's | Market value EUR t | % of fund capital |
|---|---------------------------------|--------------------|-------------------|
| <b>CERTIFICATE</b>  |                                 |                    |                   |
| Hexagon DI FC 2024-01-15                                      | 5,000                           | 4,992              | 3.4               |
| Hexagon DI FC 2024-03-11                                      | 5,000                           | 4,956              | 3.3               |
| Sagax DI FC 2024-03-06  | 5,000                           | 4,959              | 3.3               |
| Sobi DI FC 2024-01-12   | 4,000                           | 3,995              | 2.7               |
| Sobi DI FC 2024-02-28   | 5,000                           | 4,965              | 3.3               |
| certificate   |                                 | <b>23,868</b>      | <b>16.1</b>       |
|   | Number/Nominal amount in 1000's | Market value EUR t | % of fund capital |
| <b>TREASURY BILLS</b>   |                                 |                    |                   |
| Italienska staten 2024-09-13                                  | 7,000                           | 6,839              | 4.6               |
| Treasury bills  |                                 | <b>6,839</b>       | <b>4.6</b>        |
| <b>Total financial instruments with positive market value</b> |                                 | <b>145,486</b>     | <b>98.0</b>       |
| <b>Total financial instruments with negative market value</b> |                                 | <b>-122</b>        | <b>-0.1</b>       |
| <b>Net, other assets and liabilities</b>                      |                                 | <b>3,054</b>       | <b>2.1</b>        |
| <b>Total fund capital</b>                                     |                                 | <b>148,418</b>     | <b>100.0</b>      |

The numbers in the tables are rounded to the nearest thousand and first decimal point, respectively, which may result in an amount in the summation of the columns that differs from the final total.

## Compilation, Company and Group exposure \*

| Company/Group          | % of fund capital | Company/Group            | % of fund capital |
|------------------------|-------------------|--------------------------|-------------------|
| Hexagon                | 6.7               | Sagax                    | 4.0               |
| Aktia Bank             | 6.1               | VW International Finance | 3.9               |
| Sobi                   | 6.0               | Danske Bank              | 3.3               |
| Volvo Treasury         | 5.8               | Oma Saastopankki         | 1.7               |
| SEB                    | 5.4               | OP Corporate Bank        | 0.9               |
| ABB Financial Services | 4.2               |                          |                   |

\* The table provides the combined units of fund capital per issuer in percent, where the fund has holdings in more than one type of securities issued by the same issuer. Underlying securities are shown within parentheses.

ANNEX IV

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Product name: Handelsbanken Euro Rönta

Legal entity identifier: 549300GDF35DNG6ERL67

**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.

**Environmental and/or social characteristics**

| Did this financial product have a sustainable investment objective?  |   |
|--|---|
| <input checked="" type="radio"/> <input type="radio"/> Yes   | <input checked="" type="radio"/> <input checked="" type="checkbox"/> No   |
| <input type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : ____ %                 | <input checked="" type="checkbox"/> It promoted <b>Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 43.74% of sustainable investments |
| <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy        |   |
| <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |   |
| <input type="checkbox"/> It made <b>sustainable investments with a social objective</b> : ____ %                         |   |
|  | <input checked="" type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy  |
|  | <input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy   |
|  | <input checked="" type="checkbox"/> with a social objective   |
|  | <input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>   |



**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

**Sustainability indicators**

measure how the environmental or social characteristics promoted by the financial product are attained.

The fund promotes environmental and social characteristics through sustainable investments in companies whose economic activities are deemed to contribute to an environmental or social objective in line with the Sustainable Development Goals of the 2030 Agenda and/or activities aligned with the EU Taxonomy. Such investments include sustainable bonds, sustainability-linked bonds where the financial and/or structural characteristics of the fixed income instrument are linked to predetermined sustainability goals as well as bonds issued by companies who, through their economic activity, contribute to an environmental or social objective and/or activities aligned with the EU Taxonomy.

The fund's share of sustainable investments in 2023 amounted to 43.74%, based on an average of the 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**  
Climate change mitigation..

**Other environmental objectives**

Achieving Sustainable Agriculture and Forestry (SDG 2 & 15), 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), Preserving Marine Ecosystems (SDG 14), Preserving Terrestrial Ecosystems (SDG 15).

**Social objectives**

Providing Basic Services (SDG 1, 8, 9, 10 & 11), Combating Hunger and Malnutrition (SDG 2), Ensuring Health (SDG 3), Delivering Education (SDG 4), Attaining Gender Equality (SDG 5).

Furthermore, during the reference period, the fund has promoted environmental and/or social characteristics through its criteria for excluding issuers whose operations are linked to controversial weapons, military equipment, fossil fuels, alcohol, tobacco, cannabis, pornography and commercial gambling, as well as by excluding companies that have confirmed violations of international norms and conventions related to the environment, human rights, employee rights or anti-corruption and anti-bribery.

The fund has also promoted environmental and/or social characteristics through considering the principal adverse impact (PAI) for sustainability factors related to environment, climate, human rights, employee rights or anti-corruption and anti-bribery.

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

| Metric  | Value 2023 | Value 2022 |
|---|------------|------------|
| Share of sustainable investments (%)  | 43.74%     | 34.27%     |
| Carbon footprint (Scope 1,2,3) (tCO <sub>2</sub> eq/EURm)   | 389.11     | 668.18     |
| GHG Intensity (Scope 1, 2, 3) (tCO <sub>2</sub> eq/EURm)  | 1,642.80   | 1,504.32   |
| 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%      |
| Share of investments in companies that are active within the fossil fuels sector (%)  | 0.00%      | 0.00%      |
| Share of the fund's investments that are invested in bonds that follow the International Capital Market Association (ICMA) Principles for social bonds, Principles for green bonds, Guidelines for sustainable bonds and Principles for sustainability-linked bonds (%) | 19.34%     | 9.25%      |
| Share of the fund's investments that are invested in bonds that fulfil the requirements in the Climate Bonds Initiative (%)   | 0.00%      | 0.00%      |

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

The fund company does not invest in bonds or other interest-bearing instruments issued by issuers that are 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 issuers 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.

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

• ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The goal of the sustainable investments was to make a positive contribution to an environmental or social objective through investing in sustainable bonds, sustainability-linked bonds or in bonds issued by companies whose economic activities contribute to an environmental or social objective, or alternatively companies whose activities are aligned with the EU Taxonomy. The environmental objectives and the social objectives are defined on the basis of the Sustainable Development Goals of the 2030 Agenda.

The goals the fund contributed to by the end of the reference period are listed above. 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 regards to the other environmental and social objectives, the contribution to these goals has been measured through examining if the investment is classified as a sustainable bond, for example a green or social bond, both if it is a sustainability-linked bond where the financial and/or structural characteristics of the fixed income instrument are linked to predetermined sustainability goals, and if the issuer of the instrument has a 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).

• ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

Through the application of the principles stated below, the sustainable investments have been ensured to not cause significant harm to any environmental or social sustainable investment objective.

- Criteria for excluding issuers with activities linked to controversial sectors as well as specific PAI-indicators, such as fossil fuels and controversial weapons.
- Criteria for excluding issuers with confirmed violations of international norms and conventions.
- Assessment of the investment not causing significant adverse impacts on sustainability factors. The assessment is conducted in the fund company's internal PAI tool.
- Assessment of which products and services the issuer is otherwise involved with, and if these could be deemed to significantly counteract sustainable development. However, this does not apply to sustainable bonds where borrowed capital is specifically used to promote environmental objectives and social objectives. In these cases, the

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

assessment regarding significant harm takes place at the instrument level instead.

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

Through the usage of the fund company's internal PAI tool, indicators of adverse impacts on sustainability factors have been analysed and evaluated. Investments that are considered to cause significant adverse impacts are, in accordance with the fund company's assessment method, not deemed as meeting the requirements in regards to not causing significant harm within the framework of sustainable investment.

***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.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



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

The portfolio manager considers principle adverse impacts on sustainability factors (PAI). This is done through one of the fund company's developed PAI tools where potential adverse impacts are identified and analysed. Companies deemed to have high risks in regards to PAI are handled primarily through exclusion or asset stewardship.

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

| Adverse sustainability indicator & metric                       | Value 2023 | % coverage 2023 | Value 2022 | % coverage 2022 |
|---|------------|-----------------|------------|-----------------|
| 1.1 GHG Emissions - Scope 1 GHG emissions (tCO <sub>2</sub> eq) | 8,006.90   | 58.46%          | 15,704.25  | 55.94%          |
| 1.1 GHG Emissions - Scope 2 GHG emissions (tCO <sub>2</sub> eq) | 858.46     | 58.46%          | 1,311.63   | 55.94%          |
| 1.1 GHG Emissions - Scope 3 GHG emissions (tCO <sub>2</sub> eq) | 28,271.72  | 58.46%          | 73,257.05  | 55.94%          |



Contn

| Adverse sustainability indicator & metric   | Value 2023 | % coverage 2023 | Value 2022 | % coverage 2022 |
|---|------------|-----------------|------------|-----------------|
| 1.1 GHG Emissions - Scope 1+2 GHG emissions (tCO <sub>2</sub> eq)   | 8,865.36   |                 | 17,015.87  |                 |
| 1.1 GHG Emissions - Scope 1+2+3 GHG emissions (tCO <sub>2</sub> eq)   | 37,137.08  |                 | 90,272.91  |                 |
| 1.2 Carbon Footprint - Carbon Footprint Scope 1+2+3 (tCO <sub>2</sub> eq/EURm)  | 389.11     | 58.46%          | 668.18     | 55.94%          |
| 1.2 Carbon Footprint - Carbon Footprint Scope 1+2 (tCO <sub>2</sub> eq/EURm)  | 92.71      | 58.46%          | 125.95     | 55.94%          |
| 1.3 GHG intensity of investee companies - GHG Intensity Scope 1+2+3 (tCO <sub>2</sub> eq/EURm)  | 1,642.80   | 66.83%          | 1,504.32   | 49.56%          |
| 1.3 GHG intensity of investee companies - GHG Intensity Scope 1+2 (tCO <sub>2</sub> eq/EURm)  | 62.67      | 66.83%          | 85.78      | 49.56%          |
| 1.4 Exposure to companies active in the fossil fuel sector - Share of investments in companies active in the fossil fuel sector (%)   | 0.00%      | 81.94%          | 0.00%      | 71.41%          |
| 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 (%)                              | 60.82%     | 52.50%          | 62.80%     | 42.65%          |
| 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 (%)                               | 16.10%     | 18.61%          | 15.11%     | 22.30%          |
| 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                                   | 0.00       |                 |            |                 |
| 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) - B – MINING AND QUARRYING  | 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) - C – MANUFACTURING   | 1.55       |                 | 1.98       |                 |
| 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                 | 1.65       |                 |            |                 |
| 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       |                 |            |                 |

Contn

| Adverse sustainability indicator & metric   | 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) - F –CONSTRUCTION   | 0.10       |                 | 0.11       |                 |
| 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  | 0.00       |                 |            |                 |
| 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) - 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  | 0.79       |                 | 0.88       |                 |
| 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 (%)   | 0.00%      | 81.94%          | 0.00%      | 73.86%          |
| 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)  | 2.62       | 2.98%           | 3.37       | 3.88%           |
| 1.9 Hazardous waste ratio - Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average (t/EURm)  | 0.40       | 46.12%          | 0.99       | 17.67%          |
| 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%      | 87.88%          | 0.00%      | 80.17%          |
| 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 (%) | 24.74%     | 81.94%          | 39.97%     | 73.11%          |
| 1.12 Unadjusted gender pay gap - Average unadjusted gender pay gap of investee companies (%)  | 19.13%     | 5.65%           | 22.82%     | 6.67%           |
| 1.13 Board gender diversity - Average ratio of female to male board members in investee companies (%)   | 37.44%     | 64.10%          | 37.77%     | 49.56%          |

Contn

| Adverse sustainability indicator & metric  | Value 2023 | % coverage 2023 | Value 2022 | % coverage 2022 |
|--|------------|-----------------|------------|-----------------|
| 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%      | 87.88%          | 0.00%      | 80.17%          |
| 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 (%)   | 32.87%     | 81.94%          | 38.23%     | 73.86%          |
| 3.9 Lack of a human rights policy - Share of investments in entities without a human rights policy (%)   | 4.91%      | 74.10%          | 2.04%      | 59.97%          |
| 1.15 GHG Intensity - GHG intensity of investee countries (KtonCO2eq/EURm)  | 0.12       | 2.59%           | 0.15       | 9.54%           |
| 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%      | 2.59%           | 0.00%      | 9.54%           |



**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: 2023-01-01 to 2023-12-31

| Largest investments                             | Sector  | % Assets 2023 | % Assets 2022 | Country |
|---|---|---------------|---------------|---------|
| Telefonica Emisiones 1.069% 2024-02-05          | Financial and Insurance Activities                            | 2.57%         | 1.30%         | ES      |
| Scania CV 2,25% 2025-06-03                      | Manufacturing   | 2.42%         | -             | SE      |
| Skandinaviska Enskilda Banken AB FRN 2025-06-13 | Financial and Insurance Activities                            | 2.35%         | -             | SE      |
| Republic of Italy Treasury Bill 2024-09-13      | Public Administration and Defence; Compulsory Social Security | 2.15%         | -             | IT      |
| Aktia Bank Oyj FRN 2025-01-20                   | Financial and Insurance Activities                            | 1.90%         | -             | FI      |
| Rikshem AB 1,25% 2024-06-28                     | Real Estate Activities  | 1.86%         | -             | SE      |
| Aktia Bank FRN 2024-04-22                       | Financial and Insurance Activities                            | 1.85%         | 2.08%         | FI      |
| Castellum Helsinki 2,00% 2025-03-24             | Financial and Insurance Activities                            | 1.72%         | -             | FI      |
| Hexagon AB DI FC 2024-01-15                     | Manufacturing   | 1.57%         | -             | SE      |
| Swedish Orphan Biovitrum AB DI FC 2024-02-28    | Manufacturing   | 1.56%         | -             | SE      |
| Vattenfall 3,25% 2024-04-18                     | Electricity, Gas, Steam and Air Conditioning Supply           | 1.53%         | 2.02%         | SE      |
| S-Pankki FRN 2025-04-04                         | Financial and Insurance Activities                            | 1.51%         | 1.00%         | FI      |
| Metso 1,125% 2024-06-13                         | Construction  | 1.50%         | 1.00%         | FI      |
| Volvo Treasury 0% 2024-05-09                    | Financial and Insurance Activities                            | 1.49%         | 0.99%         | SE      |
| Coca-Cola HBC Finance 2,75% 2025-09-23          | Financial and Insurance Activities                            | 1.37%         | -             | NL      |



**What was the proportion of sustainability-related investments?**

**Asset allocation** describes the share of investments in specific assets.

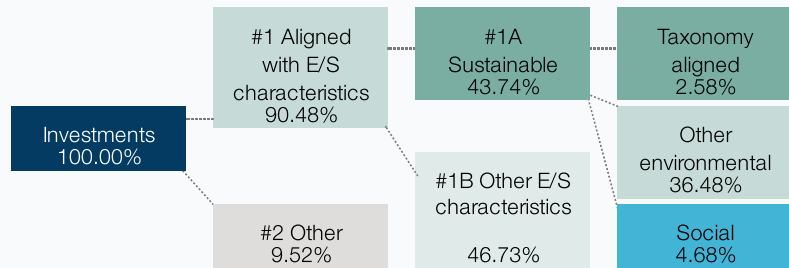
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.

- *What was the asset allocation?*

- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.

- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- Underkategorin **Nr1A Hållbara** omfattar miljömässigt och socialt hållbara investeringar.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

#### ● *In which economic sectors were the investments made?*

In Handelsbanken Fonder's active fixed-income management, which the fund is included in, a significant portion is invested in bonds with predetermined project categories for the Use of Proceeds. Seeing as the investments are not made directly in the main activity of the companies/issuers, reporting at sector level may be viewed as misleading. However, the issuers of both project-specific as well as non-project-specific bonds for the funds are, in general, companies in the financial sector. Other main sectors/groups of issuers are governments, industrial companies and real estate companies.

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 an environmental objective.

**Transitional activities** are activities for which low-



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

Where possible, companies have begun to report on the extent to which their activities are aligned with the EU Taxonomy. In addition to reported data, estimated data is available. The fund company has assessed that this estimated data can be considered sufficiently reliable to be used to determine if the company contributes to an environmental objective defined in the EU Taxonomy and on that basis can be considered a sustainable investment in alignment with SFDR Article 2 (17).

The fund company's taxonomy reporting only shows the taxonomy alignment reported directly by the companies. The fund's proportion of taxonomy-aligned investments for 2023 totaled 1.25% based on the companies' revenue.

#### ● **Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?**<sup>1</sup>

<sup>1</sup> 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

carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

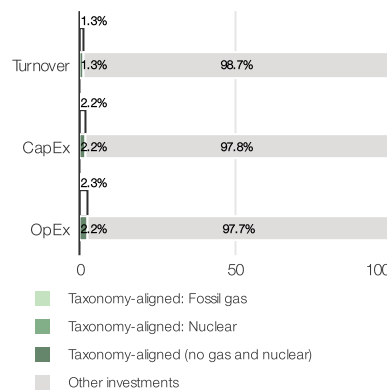
Yes:

In fossil gas  In nuclear energy

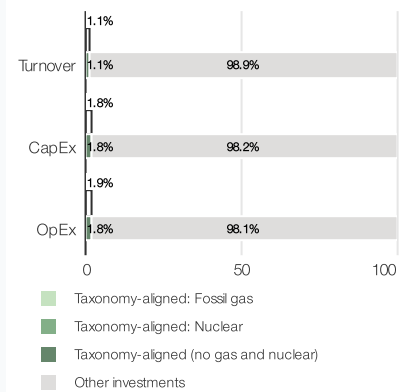
No

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.

1. Taxonomy alignment of investments including sovereign bonds\*



2. Taxonomy alignment of investments excluding sovereign bonds\*



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

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

The fund's proportion of taxonomy-aligned investments for 2023 totaled 0.04% in transitional activities and 0.59% in enabling activities.

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

In 2023, the fund's proportion of taxonomy-aligned investments totaled 1.25%

In 2022, the fund did not report any taxonomy-aligned investments since companies had not typically begun to report on the extent to which their activities were aligned with the EU Taxonomy.



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 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 environmental objectives currently not having complete technical screening criteria and due to the access to reported data from companies being insufficient.

At the end of the reference period, the fund had 36.48% of sustainable investments with an environmental objective not aligned with the EU Taxonomy.

activities under Regulation (EU) 2020/852.

Additionally, the fund had 2.58% 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 4.68% of sustainable investments with a social objective.



#### What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

During the reference period, the fund held cash and derivative instruments for liquidity and risk management. Underlying assets for the derivative instruments have been currencies and interest rates. No environmental or social safeguards have been deemed necessary for these positions.



#### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

##### Exclusions

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

##### Asset stewardship

The fund company and the 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 handle and reduce potential risks regarding adverse impacts for sustainability factors.

##### Engagement

During the reference period, the fund company carried out direct engagement between the fund company and companies/issuers 197 times. 3 of these were dialogues with companies/issuers that on balance day had holdings in this fund. 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 224 companies/issuers have been addressed together with other investors. 2 of these were dialogues with companies that on balance day had holdings in this fund.

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

# Information from Handelsbanken Fonder AB

## Management Company's Board of Directors, CEO, Auditors and Personnel

As of December 31, 2023

### Handelsbanken Fonder AB

#### Board of Directors

ANNA POSSNE, Chairman

Executive Vice President, Svenska Handelsbanken AB (publ), Head of the Swedish branch operations

MALIN HEDMAN BJÖRKMO

Consultancy specializing in corporate governance and financial regulations

HELEN FASTH GILLSTEDT

Managing Director and owner of a management consultancy firm

LARS SEIZ

Strategic advisor in asset management

ÅSA HOLTMAN ÖHMAN

Employee representative for the Union of Financial Sector Employees, Regional section, CHK club, Svenska Handelsbanken AB (publ)

Chief Executive Officer

MAGDALENA WAHLQVIST ALVESKOG

#### Management Company's auditors

##### Elected at the Annual General Meeting

PRICEWATERHOUSECOOPERS AB, HELENA KAISER DE CAROLIS

#### Personnel and organisation

The Management Company is a wholly-owned subsidiary of Svenska Handelsbanken AB (publ).

#### Key members of management within Handelsbanken Fonder AB are as follows:

Chief Executive Officer

MAGDALENA WAHLQVIST ALVESKOG

CIO Asset Allocation

JOHANN GUGGI

Deputy Chief Executive Officer

EMMA VIOTTI

CIO Passive Asset Management

CARL-HENRIK LINDBERG

Chief Operating Officer

CARINA ROECK HANSEN

CIO Active Asset Management - Global Equities

LISA SYNNING

Head of Risk Management

FREDRIK ALHEDEN

CIO Active Asset Management - Swedish Equities

CHRISTIAN BRUNLID

Head of Corporate Governance and Board secretary

STAFFAN RINGVALL

CIO Active Asset Management - Nordic Equities

TORE MARKEN

Head of Legal

FREDRIK KÖSTER

CIO Active Asset Management - Fixed Income

KATARINA PASCHAL

Head of Products

EMMA VIOTTI

Head of Execution

RIKARD ERIKSSON

Acting Head of Sustainability

AURORA SAMUELSSON

Head of Compliance

MONIKA JENKS

Post address: SE-106 70 STOCKHOLM

Telephone: +46-8-701 10 00

# Information from Handelsbanken Fonder AB

## Corporate Governance

Handelsbanken Fonder exercises an active ownership role. The purpose is to participate so that the Company takes decisions that lead to a sustainable and positive value growth, which in turn benefit our unit holders. We view our ownership role from a long-term perspective, given that changes in companies often take time to implement. As a guideline for our actions, the Board of Directors of Handelsbanken Fonder has adopted a Policy for shareholder engagement and responsible investments. Our work is also guided by those principles established in the Swedish Corporate Governance Code. The Management Company's work in nomination committees is also regulated by the Guidelines for nomination committees.

An essential channel is the regular contacts that our portfolio managers have with those companies in which we invest or intend to invest. This provides a very good opportunity to present our views on the performance demonstrated by the companies. We emphasize good corporate governance, sustainability and transparency at the companies in which we invest.

Handelsbanken Fonder AB participates in a number of nomination committees where we have a sufficiently large ownership to be able to influence the recommendations to the composition of the board of directors. The board shall have extensive and relevant competence and its composition shall be characterized by different perspectives. We work actively for a more equal distribution of genders in the boards. The management companies ambition is to vote at the annual general meetings where we have significant ownership and where our votes could impact the course of events, which is normally over approximately 0.5 per cent of the votes.

We participate in a substantial number of annual meetings each year, in the Nordics, but also in other countries where we have a substantial ownership. In some cases, companies request a dialogue with shareholders prior to a proposal being presented at the annual meeting to gain support for the proposal by the major shareholders.

Handelsbanken Fonder AB participates in such discussions to the extent we have been invited and presents our views that aim at achieving a favourable result for unit holders.

The Management Company's Policy for shareholder engagement and responsible investments is available on our website at: <https://www.handelsbanken.se/sv/om-oss/svenska-dotterbolag/handelsbanken-fonder/our-work>.

## Responsible Investments

Handelsbanken Fonder's vision is to create financial wealth and planetary health through sustainable investments. In order to clarify our path to achieving this, we have established sustainability goals, constituting part of Handelsbanken Group's obligations under the UN Principles for Responsible Banking, which the Bank signed in 2019, and the fund company's obligations according to the Net Zero Asset Managers (NZAM) initiative. The purpose of setting quantitative goals is to ensure measurable results, and also allow our stakeholders to follow our development. The goals encompass all of our funds, and relate to two main areas.

Paris-aligned investment portfolios

- 50 per cent reduction in our funds' emission intensity by 2030.
- doubling of investments in climate-related solutions by 2030.

Increase our contribution to the 2030 Agenda for Sustainable Development

- increase the proportion of sustainable investment by 30 per cent by 2025.
- increase engagement activities with a positive outcome every year until 2025.

Handelsbanken Fonder's sustainability work is guided by our Policy for shareholder engagement and responsible investment. The Policy describes the starting point for integration of sustainability, our undertakings in terms of Global Compact, the Principles for

Responsible Investment (PRI) and international norms and conventions. It also describes the methods for sustainability applied in the asset management and principles of our corporate governance. Read more about this in the reports for each individual fund and in the Management Company's Policy for shareholder engagement and responsible investments that is available at: <https://www.handelsbanken.se/sv/om-oss/svenska-dotterbolag/handelsbanken-fonder/our-work>.

## Accounting and valuation principles

The Annual Report is drawn up in accordance with generally accepted accounting principles. The accounting principles for the securities funds are based on the Swedish Investment Funds Act (2004:46) and on the Alternative Investment Fund Managers Act (2013:561) for our non-UCITS funds, ESMA's guidelines. The principles are also based on the Swedish Investment Fund Association's Guidelines for Key Ratio Accounting of Swedish UCITS and non-UCITS funds as well the Financial Supervisory Authority's regulations regarding Swedish UCITS funds (FFFS 2013:9) and the Financial Supervisory Authority's regulations regarding alternative investment fund managers (FFFS 2013:10) for our non-UCITS funds. Further, applicable provisions in the Swedish Accounting Act are also applied. Accounting is based on the transaction date.

### Valuation principles

Financial instruments, assets and liabilities are valued at market value.

Equities and equity-related instruments are valued primarily at the official closing price, thereafter at the latest trading price from the same day as the time of the valuation.

Interest-bearing securities are valued primarily at the bid price. Swedish government bonds and covered bonds are valued primarily at the median mid-yield.

Interest rate and currency derivatives that are not exchange-traded are valued in accordance with generally-accepted valuation models.

In the event a reliable price is unavailable, alternatively the instrument is not regularly traded, a valuation model can be utilized. This also applies when an instrument that is normally valued through the use of a market price is no longer deemed to have a reliable price.

Financial instruments, assets and liabilities that are revalued to the fund's portfolio currency are recalculated based on the official closing exchange rate on the balance sheet date.

## Foreign withholding taxes

Due to the changes in the tax regulations for Swedish funds on January 1, 2012, as well as the developments within taxation, there is significant uncertainty with regard to the application of withholding taxes on equity distributions. This can result in both higher revenues and increased expenses regarding withholding taxes in funds with foreign holdings. The revenues or expenses will be reported when received or paid, respectively. The distributions will be reported in the amount actually received, although it cannot be ruled out that the withholding taxes can be revised, which would result in an additional withholding tax on the previously received distributions made in the fund. A remittance (repayment of withholding tax paid) is reported when received. With regard to restitution for certain funds and from certain countries, e.g., Denmark and Finland, the principle of reporting restitution when received or paid can be waived if there are tax and reporting grounds for doing so.

## More information

You will find the complete information brochure with fund rules, fact sheets and current share price performance on our website at [www.handelsbanken.se/funds](http://www.handelsbanken.se/funds). For further information on the subscription and redemption of fund units, please contact your local Handelsbanken branch office.



## Remuneration for employees at Handelsbanken Fonder AB

The principles for employee remuneration at Handelsbanken Fonder AB (hereinafter "the Management Company") have remained unchanged for many years. The Management Company has a low risk tolerance, and this shall also be reflected in our view on remuneration. The Management Company also views the employment of its staff from a long-term perspective. Salary growth and other remuneration varies over an employee's tenure with the Management Company. The total remuneration is a contributing factor to the Management Company's growth in competitiveness and profitability and enables the Management Company to attract, retain and develop competent employees, and also ensures that competence development and succession planning are well-functioning.

Remuneration includes a base salary, salary allowances, customary fringe benefits, occupational pension, possible allocation within the scope of the profit-sharing plan Oktogonen, as well as possible allocation in the form of other variable remuneration to certain employee groups. Salary is determined on a local basis in accordance with Handelsbanken Group's (referred below as "the Group") decentralized work practices and is based on the following predetermined salary factors: the nature of the work and level of complexity, competence, performance capacity and work results achieved, leadership for those who have responsibility for the development of staff, supply and demand for a specific type of competence on the regional market as well as serving as the bearer of Handelsbanken's corporate culture.

Variable remuneration in the Management Company consists of two components: variable remuneration within the scope of the Group's common profit-sharing plan, Oktogonen, which includes all of the employees in the Management Company; and variable remuneration external to this system that covers employees in certain positions. Variable remuneration in addition to Oktogonen is applied within the Management Company when such remuneration is an established market practice and is thereby necessary to attain the Company's business targets. Variable remuneration shall be applied with great caution so as not to impact the desired risk profile of the Management Company or result in inconsistencies between the business activities and the risk profiles of the funds, the fund rules, the discretionary mandate, or the internal and external rules applicable to fund management. The Board of Directors for the Management Company determines the definitive amount of the variable remuneration after taking into consideration the decision made by the Central Board of Directors of Svenska Handelsbanken AB (PLC) for the total allocation of variable remuneration. The remuneration reported in the table Employee remuneration, is based on the Management Company's Remuneration Policy.

### Remuneration Policy

The principles for the remuneration system of the Management Company are established in a remuneration policy decided by the Board of Directors of the Management Company. The Management Company's Remuneration Policy is based on the remuneration policy applicable to the Group but has been adapted to the Management Company's specific business activities. Matters that concern the remuneration policy are prepared by a specially-appointed remuneration committee within the Board prior to a decision by the Board of Directors.

The Board's remuneration committee consists of the Board members Lars Seiz (committee chairman) and Helen Fasth Gillstedt. The composition and work of the committee are regulated in greater detail by the Board's rules of procedure, in addition to that which is stated in the remuneration policy. The remuneration committee has access to the information that may be required to carry out its tasks. The remuneration committee meets a minimum of three times per year.

The Management Company's Remuneration Policy is reviewed annually or as necessary. The development of the proposal for the remuneration policy as well as the analysis of the risks associated with variable remuneration have followed the work within the Group and have involved the relevant representatives in the Management Company from senior management, the Compliance and Risk Control functions as well as the Management Company's Human Resources function. The Management Company's current remuneration policy is based on the risk analysis prepared by the Management Company's Risk Control function.

The CEO and relevant Heads within the Management Company are responsible for identifying, evaluating and limiting remuneration risks as well as proposing the format of the remuneration system in line with the Management Company's view on risks and the long term.

The Risk Control and Compliance functions are responsible for identifying, monitoring, analyzing and reporting key risks with the remuneration system. The responsibilities of the control functions and the information concerning the remuneration risks are specified further in the Board of Director's instructions for each function.

The responsibility of the Internal Auditing function and information about the remuneration system are provided in what is stated in general in the Board of Director's instructions for the internal audit.

### Variable remuneration

Variable remuneration within the Management Company (hereinafter "variable remuneration"), apart from the common Group profit-sharing plan Oktogonen (hereinafter "Oktogonen"), is only applicable when such remuneration is an established market practice and is necessary to reach the Company's business objectives. The Management Company's senior management group, excluding some of the leading portfolio managers, including staff within the Management Company's Compliance and Risk Control functions receive, apart from Oktogonen, only fixed remuneration. This also applies to employees within the administration function and fund administration. The only category of staff entitled to variable remuneration other than Oktogonen are the portfolio managers and assistant portfolio managers of actively-managed equity- and fixed income funds. This means that portfolio managers of passive funds and asset allocation funds, apart from Oktogonen, are only entitled to receive fixed remuneration.

The principles for variable remuneration adopted by the Management Company are established to reflect the Management Company's risk tolerance, to counteract excessive risk taking and be consistent with the current risk profiles of the funds (which are determined in the Management Company's instructions for risk management), fund rules, discretionary mandate as well as internal and external rules and regulations, without impacting the Management Company's ability to attract and retain competent personnel.

The Management Company's assessment with regard to provisions and allocations of variable remuneration to the established remuneration pool within the Management Company is based on risk-adjusted performance measures as well as current and future risks that are taken into account during this assessment. Results are charged with costs for capital. The risks in the business operations consist primarily of major market downturns, significant outflows from the funds and operational risks in the business operations.

In the preparation of the supporting documentation for decisions with regard to provisions and allocations of variable remuneration, the Management Company's results bear the relevant costs for the risks to which the Management Company is exposed, including the costs required by the Management Company to retain extra assets in accordance with the Alternative Investment Fund Managers Act (AIFMD 2013:561) to cover potential liability risks due to error or negligence in the business operations carried out as supported by the aforementioned legislation.

Given that the results upon which the variable remuneration is based bear the actual costs for the capital required for the business operations, it is ensured that the remuneration levels are consistent with the overall objectives of the Management Company.

Variable remuneration within the Management Company is based on the Group's salary-setting model and the factors upon which salary is based. In addition to the salary factors, there are also factors specific to the business, with particular emphasis placed on sound risk-taking, observance of good order and compliance.

The assessment for the allocation of the variable remuneration is based on the results and performance of the Management Company and individuals during the assessment period. The individual assessment is based on financial and non-financial criteria. The individual's performance is taken into account relative to the benchmark and the products of comparable competitors. An allocation will be made if a provision for variable remuneration has been decided by the Board of the Management Company and the Central Board. The Human Resources department compiles an annual analysis to identify those employees with work tasks that have a significant impact on the risk profile of the Management Company or a managed fund (risk-takers). All employees subject to variable remuneration, apart from Oktogonen, are included in the definition of "Risk-taker" and are subject to the rules regarding the deferral of remuneration. Variable remuneration consists only of fund units. The individuals entitled to this remuneration receive one-half of the variable remuneration in fund units within the funds managed by them (weighted equally if several funds are managed) and one-half in fund units in a number of funds that represent the total assets under management in the Management Company.

The parameters that are the basis for the decision on the amount of the deferred variable remuneration are based on the risks in the business operations and the size of the variable remuneration. The Management Company defers 40 – 60 percent of the variable remuneration over a minimum period of three years. In accordance with the Management Company's policy, the variable remuneration may not exceed 100 percent of the fixed remuneration. The established rules for the deferral of variable remuneration apply to all affected staff and managers.

An assessment is conducted annually during the deferral period to determine whether the remuneration shall be adjusted downward or discontinued entirely. The remuneration will be discontinued or adjusted downward in the event that losses as well as higher risks and expenses arise during the deferral period, which includes taking into account the staff's compliance to external and internal rules. The discontinuation or downward adjustment shall also occur in the event that payment cannot be justified when taking into account the Management Company's financial situation or if the Central Board has made a recommendation for the discontinuation or downward adjustment. Both the deferred variable remuneration and the portion of the variable remuneration that is not deferred are subject to a retention period of one year. No downward adjustment or discontinuation assessments will be conducted during the retention period. The ownership rights to the units will be passed on to the individuals entitled to remuneration at the conclusion of the retention period.

### Specific information regarding Oktogonen

The Group's rules regarding Oktogonen apply, with the necessary changes, to all personnel in the Management Company, with the exception of specially-regulated personnel (senior management, risk-takers and employees with particularly high remuneration). The Group's rules provide for the payment of a cash allocation in the case when Handelsbanken has higher profitability than the average for comparable competitors in the bank's home markets and after an overall assessment of the bank's performance by the Central Board.

The following is applicable for specially-regulated personnel who instead receive other remuneration than a direct cash allocation:

- Senior management: the entire Oktogonen remuneration for each individual within management, with the exception of some of the leading portfolio managers, shall consist of an allocation fund that has been selected by the Management Company's Board of Directors. The entire remuneration shall be deferred for a period of up to four years, during which downward adjustment or discontinuation assessments shall be conducted.
- Specially-regulated personnel who fall within the scope of other variable remuneration (actively-managed equity and fixed income fund managers): the rules applicable to other variable remuneration shall be applied to the Oktogonen allocation, including deferral, retention, allocation in certain specific funds and downward adjustment/discontinuation.
- The fund managers of allocation funds or passive funds: the entire Oktogonen remuneration for each fund manager shall consist of an allocation fund that has been selected by the Management Company's Board of Directors. The entire remuneration shall be deferred for a period of up to four years, during which downward adjustment or discontinuation assessments shall be conducted.

### Sustainability-related disclosures

Pursuant to the provisions in Article 5 of the European Parliament and of the Council Regulation 2019/2088/EU on sustainability-related disclosures in the financial services sector (SFDR), a fund management company shall state how the remuneration policy is consistent with the requirement for the integration of sustainability risks. Sustainability risks refer to an environmental, social or corporate governance related event or circumstance that, should it occur, would have an actual or potential significant adverse impact on the investment value. Sustainability risks are taken into consideration within the scope of the remuneration system primarily through the Management Company's fund management – in accordance with the fund rules, the Prospectus and the Management Company's Policy for Shareholder Engagement and Responsible Investment – by regularly taking sustainability risks into account in the fund management and by evaluating the fund managers' performance against indexes that include sustainability requirements. In addition, there is also the condition that variable remuneration to fund managers consists of fund units in funds that regularly integrate sustainability risks into its fund management pursuant to SFDR. Sustainability risks are also taken into consideration within the scope of the salary factors. Sustainability risks that are addressed incorrectly can result in lower remuneration (both fixed and variable remuneration) or a downward adjustment/discontinuation of variable remuneration.

## Employee remuneration at Handelsbanken Fonder AB

| The information below refers to the 2023 operational year  | 2023         | 2022        |
|--|--------------|-------------|
| <p><b>1. Number of employees receiving fixed or variable remuneration payments during the financial year:</b></p> <p><i>Information reported refers to every individual who was employed and received fixed or variable remuneration at some time during the year (number of individuals)</i></p> <p>Total remuneration<br/>           - of wich fixed remuneration 132 442 tkr<br/>           - of wich variable remuneration 14 590 tkr</p>                        | 128 persons  | 126 persons |
|  | 147 032 tkr  |             |
| <p><b>2. The total amount of remuneration paid to specially regulated staff during the financial year distributed by the categories of employees as stated in FFFS 2013:9 Chapter 1, § 9, second paragraph 34*,</b></p>  | 112 931 tSEK | 98 028 tSEK |
| <p>- Executive Management Group:</p> <p><i>The total remuneration paid to members of the Executive management group, that reports directly to CEO, is reported here.</i></p>   | 27 556 tSEK  | 28 371 tSEK |
| <p>- Employees in senior strategic positions:</p> <p><i>Those holding strategic positions are included in the Executive management group.</i></p>  | 3 274 tSEK   | 2 808 tSEK  |
| <p>- Employees with responsibility for control functions:</p> <p><i>The Head of Risk Management is included in the Executive management group.</i></p>   | 0 tSEK       | 0 tSEK      |
| <p>- Risk-takers:</p> <p><i>The total remuneration paid to the risk-takers who are not included in the categories above are reported here. All of the fund managers in the Management Company.</i></p>   | 71 451 tSEK  | 56 947 tSEK |
| <p>- Employees with total remuneration that amounts to, or exceeds, the total remuneration of any of the Group executives:</p> <p><i>Employees that are not classified under any of the categories above but who earn in line with the lowest paid Executive management group member are reported here.</i></p>  | 10 650 tSEK  | 9 902 tSEK  |
| <p><b>3. Method for the calculation of remuneration and benefits to employees (FFFS 2013:9 and 2013:10):</b></p> <p><i>Remuneration and benefits to employees are regulated by the Management Company's remuneration rules, refer above under the heading, Remuneration to employees at Handelsbanken Fonder AB.</i></p>   |              |             |
| <p><b>4. The results of the reviews referred to in the Swedish Financial Supervisory Authority regulation regarding investment funds, FFFS 2013:9, Chapter 8a, §16, as well as any deviations that have arisen from the remuneration policy:</b></p> <p><i>Risk Control have reviewed the application of the remuneration policy and have not identified any significant risks or deviations in its application. Compliance in general is deemed to be good.</i></p> |              |             |
| <p>* The total amount of remuneration consists of payment in both Swedish kronor and euros, exchange rate as of 31 December 2023.</p>  |              |             |

# Definitions

## Fund statistics

**Average fund capital** – Calculated as the mean value of the fund's net asset value during the year (or that portion of the year during which the fund existed). The fund's net asset value is calculated on a daily basis.

**Average yearly return, 2, 5 and 10 years, respectively** – The fund's average effective annual yield during the last 2, 5 or 10 years, respectively.

**Collected management costs in % of average fund capital** – Actual management fees collected. Expenses are calculated daily and represent costs for management, administration, marketing and distribution. Expressed in percent of the average fund capital and calculated on a rolling 12-month basis.

**Costs for monthly savings SEK 100** – Total costs charged to a unit holder who had SEK 100 invested on the first banking day of each month during the year and retained the investment throughout the year. Calculated for the full year only and for funds and share classes that have existed during the full year. The corresponding amount for funds with EUR as the base currency is EUR 10. The corresponding amount for funds with NOK as the base currency is NOK 100.

**Costs for one-time subscription SEK 10 000** – Total costs charged to a unit holder who had SEK 10 000 invested in the fund at the beginning of the year and retained the investment throughout the year. Calculated for the full year only and for funds and share classes that have existed during the full year. The corresponding amount for funds with EUR as the base currency is EUR 1 000. The corresponding amount for funds with NOK as the base currency is NOK 10 000.

**Dividends per unit** – The Management Company determines the amount of the dividend to be paid to fund unit holders of the distribution share class on an annual basis. Distributions are paid to those fund unit holders registered for distribution shares on the distribution date determined by the Management Company.

**Duration** – The duration of a fund is a measure of how sensitive the fund is to changes in interest rates. Simply stated, it is the weighted average of the residual maturity in the fund's investments. Measured in years or months.

**Fund capital** – The fund's net asset value on the closing date for the respective year.

**Fund's total net flow** – Subscriptions less redemptions in the fund, excluding reinvested dividends and any flows from mergers.

**Index** – The index used by the fund as its benchmark.

**Index incl. dividends** – Performance of the fund's benchmark during the respective year. Performance is expressed in percent and is converted to the currency for each share class in those cases where the index is published in another currency. The table shows the index including dividends.

**Management fees and other administrative or operating costs** – From the 1 of January management fees and other administrative or operating costs replace ongoing charges. The cost measurement includes management fee and refer to the ongoing costs in the fund, excluding transaction costs for securities, interest expenses, transaction-related tax expenses and any performance-based fees.

When the fund engages in security lending, 80% of the revenue earnings derived from the lending agreement is allocated to the fund whilst the remaining 20% is allocated to the securities lending agent. Given that the revenue allocation agreement increases the fund's costs, the remuneration paid to the securities lending agent will be included in the management fees and other administrative or operating costs.

The measure is based on the fees deducted from the fund during the period. It is expressed as a percentage of the average fund capital and calculated on a rolling 12-month basis.

A supplement for the underlying fund's most recently available management fees and other administrative or operating costs, after deducting for discounts received, will be added for funds that invest in other funds.

**Net asset value** – Net asset value expressed as the rate prevailing on the balance sheet date for the respective year.

**Number of units** – The number of outstanding units on the last banking day for the respective year. Reported in thousandths of units.

**Other assets in the balance sheet** contain receivables for unsettled trades, received after balance sheet date. This applies to both sold securities and issued fund shares.

**Other costs in the income statement** include transaction costs, taxes and bank costs.

**Other financial costs** in the income statement include expenses for security lending.

**Other financial income in the income statement** includes premiums for securi-

ty lending and discounts for management costs in underlying funds.

**Other income in the income statement** refers to money paid back for bank charges and taxes.

**Other liabilities in the balance sheet** contain liabilities for unsettled trades, paid after balance sheet date. This applies to both purchased securities and redemption of fund shares.

**Other techniques and instruments** – Techniques and instruments used to improve the effectiveness of fund management refers to the following: techniques and instruments are attributable to transferable securities and money market instruments used in a cost-effective manner to lower risks and expenses or to increase returns in the fund with a risk level that is consistent with the fund's risk profile and applicable rules for the distribution of risk. Example of techniques and instruments include securities lending and agreements on the repurchase of securities sold, i.e., repos and reverse repo transactions.

**Risk** – The calculation of the fund's risk is the same for all EU member states. 1 is for the lowest risk (small price fluctuations) and 7 is for the highest risk (risk for substantial price fluctuations). The classification is based on the standard deviation (volatility) for the fund, calculated using the unit values over a five-year period. If five years of performance is not available, the standard deviation for the relevant comparable index or other benchmark will be used. Risk describes primarily market risk and currency risk.

**Share classes** – A fund can have several share classes. Different share classes have different conditions, e.g., currency, with dividends or without, management fee or an initial minimum subscription amount. Fund capital is the same for the share classes and therefore information refers to the fund as a whole unless stated otherwise. Fund units within each individual share class are the same size and have the same rights to the assets included in the fund. The distribution in a distribution share class impacts the relationship between the value of units that are non-distribution and the value of the units that are distribution, with the value of the distribution fund units decreasing in relation to the size of the distribution.

**Share of turnover conducted via closely related securities companies** – The proportion of fund purchases and sales of financial instruments conducted by Handelsbanken in terms of value. Expressed in percent of the fund's total turnover.

**Share of turnover conducted between funds managed by the same fund management company** – The proportion of fund purchases and sales of financial instruments conducted on behalf of the securities fund from another fund managed by the same fund management company. Expressed in percent of the fund's total turnover.

**Total returns** – Reports how the value of a unit has changed during the respective year. If the fund has paid dividends during the year the change in value has been calculated as though the dividend or contribution before tax was added back on the distribution date. Annual return is measured in percent from the date of the previous year's closing date to the closing date for the respective year. Returns for the semi-annual review are reported for the first half of the current year.

**Transaction costs** – Expressed partly as an amount and partly as a percentage of the value of the financial instruments turned over. The value refers to the overall market value, but for futures and future related instruments the value refers to the exposure value. Calculated on a rolling 12-month basis. Reported in the Income Statement under the heading "Other expenses". Examples of transaction costs are courtage and derivative costs.

**Turnover rates (general principle)** – The fund's turnover rate calculated, on the one hand, as the ratio between the lowest total amount for securities purchased or sold during the year and, on the other hand, as the average fund capital during the same period. With regard to equity funds, fixed income securities with a residual maturity of a maximum of 397 days at the time of acquisition are excluded from purchased or sold securities. The turnover rate is reported as the number of times turned over per year and is calculated on a rolling 12-month basis.

**Turnover rate (leveraged funds)** – If a fund has traded with derivative instruments during the period and the turnover calculation conducted in accordance with the general principle makes the turnover information appear misleading, the fund's turnover rate is also calculated by decreasing the total of purchased and sold financial instruments during the period by the total of the subscribed and redeemed units in the fund. This amount is divided by the fund's average fund capital during the period. Negative turnover arises when the total amount for purchased and sold fund units exceeds the total amount for purchased and sold derivatives.

## Key figures for risk follow-up

*In order to obtain relevant comparisons, dividends have been reinvested in the funds and their respective benchmarks. All key figures have also been calculated on the basis of the Annual effective yields. The values for the past two years have been used for the majority of the funds. A risk forecast has been made for more recent funds, with fund holdings as of balance sheet date as the basis. In these cases, historical data for relevant reference portfolios is used for the calculation of the risk forecast.*

**Total risk/Total risk** in index is stated as the standard deviation for variations in the monthly yields of the fund/index. The higher the number, the higher the risk.

**Tracking error** measures the standard deviation of the difference in the yields between the fund and its benchmark (the variation in the relative yields). The historical tracking error indicates how much the fund's yield has deviated from benchmark.

**Active return** states the annual over- or under effective return attained by the fund in comparison to its benchmark.

**Sharpe ratio/Sharpe ratio** in index is a measure of the fund/index's return, taking

into consideration the risk of the fund/index. A high return attained at a lower risk is better than an equivalent return attained at a high risk. Calculated, on the one hand, as the ratio between the return, less the risk-free interest (interest on government securities) and, on the other hand, as the total risk of the fund/index. The Sharpe ratio is the most relevant ratio for comparing

**Information ratio** is a measure of the active returns attained by the fund when deviating from its benchmark. It is the ratio between the active returns and the tracking error. A negative information ratio means that the fund has underperformed its benchmark.

## Abbreviations

A number of abbreviations are used for certain securities in the table of contents:

|            |                             |             |                               |
|------------|-----------------------------|-------------|-------------------------------|
| <b>ADR</b> | American Depository Receipt | <b>IR</b>   | Redemption Right              |
| <b>ADS</b> | American Depository Share   | <b>KV</b>   | Convertibele                  |
| <b>BTA</b> | Interim Share               | <b>NVDR</b> | Non-Voting Depository Receipt |
| <b>CB</b>  | Callable Bond               | <b>Pref</b> | Preference Share              |
| <b>ETF</b> | Exchange Traded Fund        | <b>SDB</b>  | Swedish Deposit Certificate   |
| <b>f/r</b> | Foreign Registered          | <b>TO</b>   | Warrants                      |
| <b>FRN</b> | Floating Rate Note          | <b>TR</b>   | Subscription Right            |
| <b>GDR</b> | Global Depository Receipt   |             |                               |

**Active Share** compares the equity fund's holdings with the holdings in its benchmark. The key figures are stated in percent, from 0% (exact same distribution as the index) to 100% (none of the holdings are included in the index). The measurement is calculated as one-half of the sum of the absolute deviations between a securities' weighting in the fund and its weight in the index.

**Index** shows the average returns on the underlying market in which the fund invests.

**Spread exposure** is shown for fixed income funds, as of the closing date, and is a measure of credit risk. The spread exposure shows how much the fund will depreciate, in percent of the value of the fund, if the spread

between the value of a fixed income fund and government bonds is doubled. Calculated as capital-weighted credit duration multiplied by the spread of the instrument (differential) compared to the government yield curve.

**VaR** is a parametric in this case and is calculated in accordance with the covariance method. The covariance matrix is presented by the risk system and is updated on a monthly basis. The confidence level is 95% and the time horizon is one day.

# Sustainability Definitions

Clarification of abbreviations and designations in the sustainability report.

**Agenda 2030** – was adopted by the UN in 2015 with the aim of achieving long-term sustainable economic, social and environmental development in order to eradicate extreme poverty, to reduce inequality and injustice in the world and to combat climate change. Agenda 2030 contains 17 sustainable development goals (SDG) and 169 targets. The goals are: No poverty; Zero hunger; Good health and well-being; Quality education; Gender equality; Clean water and sanitation; Affordable and clean energy; Decent work and economic growth; Industry, innovation and infrastructure; Reduced inequality; Sustainable cities and communities; Responsible consumption and production; Climate action; Life below water; Life on land; Peace and justice and strong institutions; Partnerships for the goals. For additional information, see [globalamalen.se](http://globalamalen.se).

**CDP** – (formerly the Carbon Disclosure Project) is an independent, international non-profit organization that works for disclosure and dialogue related to the environmental impact of companies and making this information available to investors. Over 18,700 companies worldwide measure and report their environmental impact through CDP. CDP acts on behalf of over 680 institutional investors. For additional information, see [www.cdp.net](http://www.cdp.net).

**Climate Action 100+** – Climate Action 100+ is a global collaboration initiative with over 700 global investors as signatories. The aim is to engage those companies with the largest greenhouse gas emissions to take responsibility and drive the clean energy transition. The investors behind the initiative encourage companies to take necessary action on climate change, reduce emissions and increase transparency. For further information, see [www.climateaction100.org](http://www.climateaction100.org)

**Global Impact Investing Network (GIIN)** – A global membership network for impact investors to exchange knowledge and tools for impact investment. For additional information, see [thegiin.org](http://thegiin.org).

**Sustainable investing** – Pursuant to the SFDR regulation, a sustainable investment is defined as an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not cause significant harm to any other environmental or social objective, while ensuring that the investee companies follow good governance practices. A description of how these three components are defined by the Management Company is provided in the document SFRD – Definitions and description of methodology, which is available at: [Follow our work | Handelsbanken](#).

**Investors Integrity Forum (IIF)** – IIF is a forum for investors that is headed by Transparency International Sweden with focus on anti-corruption and regulation compliance. Through IIF, investors are able to gain knowledge and expertise experience from both participating companies and Transparency International's global network. This can relate to questions about an individual market or a specific sector. For further information, see [www.transparency.se/investors-integrity-forum](http://www.transparency.se/investors-integrity-forum).

**Carbon footprint** – Carbon footprint or climate footprint is a calculation of the total emissions of greenhouse gases that have been caused by an organization, event or product. The carbon footprint is measured in accordance with the Greenhouse Gas Protocol (GHG) that defines three so-called 'scopes' to classify a company's emissions of carbon dioxide and other greenhouse gases. Scope 1: direct emissions (emissions from the company's owned or controlled sources), Scope 2: indirect emissions from consumption of electricity, heat or steam, Scope 3: other indirect emissions, such as emissions from the production at subcontractors, transport by vehicles that are not directly owned by the company, outsourced business activities, waste management and energy usage not covered by Scope 2.

**Carbon intensity** – Handelsbanken Fonder measures the emissions in relation to EVIC (Enterprise Value Including Cash), a value that is largely governed by the stock market value of the holdings. As a result, the carbon intensity can decrease or increase depending on the market valuation of a company, even though the absolute emissions are the same. The Management Company takes into account both direct and indirect emissions in the companies' value chains, i.e., Scope 1, 2 and 3. It is a challenge to also include Scope 3, since in many cases companies do not report these emissions and use estimates instead

**Net zero greenhouse gas emissions** – Net zero greenhouse gas emissions means that the greenhouse gas emissions from mankind shall be equivalent to the greenhouse gases taken out of the atmosphere in a process called carbon removal. To attain this, emissions must first be reduced to as close to zero as possible. Any remaining greenhouse gases are balanced with an equivalent amount of carbon storage, such as by reforestation or through direct air capture and carbon storage technologies.

**Transition companies** – are companies involved in power generation that are considered to be transitioning their business activities to contribute to the attainment of the goals in the Paris Agreement. For additional information, see [Follow our work | Handelsbanken](#).

**Paris Agreement** – The world's countries came to a new agreement at the climate meeting in Paris in December 2015, which is binding for all countries to apply as of 2020. The governments agreed to hold the increase in the global average temperature to well below 2°C above pre-industrial levels and pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels.

**Principle Adverse Impact Indicators (PAI)** – EU regulation SFDR places requirements on fund management companies to take into account PAI, i.e., principal adverse impacts on sustainability factors. A description of how the Management Company takes into account PAI is provided in the document SFRD – Definitions and description of methodology, which is available at: [Follow our work | Handelsbanken](#).

**Sustainable Finance Disclosure Regulation** – EU-förordning 2019/2088 (Förordning om hållbar EU regulation 2019/2088 (Regulation on sustainability-related disclosures in the financial services sector, SFDR) aims to strengthen consumer protection through enhanced sustainability information. The new regulation places higher demands on fund management companies with regard to the transparent disclosure of sustainability efforts and in this manner makes it easier for consumers to compare financial products and make well-founded investment decisions. For additional information, see the document SFRD – Definitions and description of methodology, which is available at: [Follow our work | Handelsbanken](#).

**Sustainable risk** – The sustainability risk in the fund is measured using Sustainability's methodology to assess sustainability risks. The sustainability risk in the fund is reported with a number on a scale between 0 - 100. The sustainability risk is defined according to the following scale:

| Negligible | Low   | Medium | High  | Severe |
|------------|-------|--------|-------|--------|
| 0-10       | 10-20 | 20-30  | 30-40 | 40+    |

**Taxonomy** – The EU taxonomy is a tool for classifying which financial and economic activities are environmentally sustainable. The purpose is to ensure that companies, the financial sector and decision-makers use common guidelines when considering which economic activities are environmentally sustainable. The taxonomy is initially focusing on the climate and environment. As a result, investments that contribute to other sustainability dimensions, such as social factors,

are not currently captured in this framework.

**UN PRI** – The UN's initiative for responsible investments. The objective is to increase knowledge and understanding about the meaning of sustainable development within the investment industry. We are committed to following PRI's six principles by:

1. Incorporating ESG issues into our investment analysis and decision-making processes.
2. Being active owners and incorporating ESG issues into our ownership policies and practices.
3. Work to secure greater disclosure on environmental and societal issues, as well as on corporate governance at the investee companies.
4. Promoting the implementation of these principles within the investment industry.
5. Collaborating to enhance the effectiveness in implementing the principles.
6. Reporting our activities and progress towards the implementation of the principles.

**UN Global Compact** – The UN's initiative in which member companies commit to pursue their business operations responsibly, in line with the Global Compact's ten principles for human rights, employee rights, the environment and anti-corruption.

**Policy for shareholder engagement and responsible investment** – The guiding principle of Handelsbanken Fonder's work within sustainability is our Policy for shareholder engagement and responsible investment. The Policy describes the basis for the integration of sustainability, our commitments related to the Global Compact, Principles for Responsible Investment (PRI) as well as international norms and conventions. In addition, the Policy describes the sustainability methodologies applied in fund management as well as the principles for our corporate governance work. For more information, see [Follow our work | Handelsbanken](#).

## Reporting principles

**Number of nomination committees** – Nomination committees where the Management Company has participated and presented proposals at the shareholders' meetings during the year. Based on holdings in the fund during the year.

**Number of votes at shareholders' meetings** – Votes at shareholders' meetings during the year for fund holdings at the time of the shareholders' meeting. Refers to both ordinary annual general meetings and any extraordinary shareholders' meetings.

**Direct dialogues** – Engagement dialogues that the Management Company pursues through direct contact with the company.

**Number of direct dialogues** – Based on the fund holdings during the year.

**Pooled engagements** – Together with other investors through an external party, we participate in dialogues with companies in so-called pooled engagements. The basis for these dialogues is either proactive and target specific thematic areas, or reactive and target companies with suspected or verified violations regarding international norms and conventions within the environment, human rights, employee rights and anti-corruption.

**Number of pooled engagements** – Based on holdings in the fund as of December 31.

**Initiatives and investor campaigns** – are often thematic or focus on sustainability issues within a certain sector.

Styrelsen och verkställande direktören för Handelsbanken Fonder AB får härmed avge årsberättelse för nedan angivna fonder, som förvaltas av bolaget. Påskrifter avser:

### Aktivt förvaltade fonder

#### Aktiefonder

|  |             |
|--|-------------|
| AstraZeneca Allemansfond               | 502040-9925 |
| Handelsbanken Amerika Småbolag Tema    | 515602-9844 |
| Handelsbanken Amerika Tema             | 802015-0796 |
| Handelsbanken Asien Småbolag           | 515602-6931 |
| Handelsbanken Asien Tema               | 802015-0788 |
| Handelsbanken Brasilien Tema           | 515602-9877 |
| Handelsbanken EMEA Tema                | 504400-2953 |
| Handelsbanken Europa Selektiv          | 515602-7004 |
| Handelsbanken Europa Småbolag          | 504400-5386 |
| Handelsbanken Finland Småbolag         | 515602-6949 |
| Handelsbanken Global Digital           | 515603-2608 |
| Handelsbanken Global Impact            | 515603-2939 |
| Handelsbanken Global Selektiv          | 515602-9851 |
| Handelsbanken Global Tema              | 502034-1375 |
| Handelsbanken Hållbar Energi           | 515602-7012 |
| Handelsbanken Hälsovård Tema           | 504400-8042 |
| Handelsbanken Japan Tema               | 802015-0754 |
| Handelsbanken Latinamerika Impact Tema | 802017-9407 |
| Handelsbanken Microcap Norden          | 515602-8556 |
| Handelsbanken Microcap Sverige         | 515602-8549 |
| Handelsbanken Nanocap Sverige          | 515603-2269 |
| Handelsbanken Norden Selektiv          | 515602-7046 |
| Handelsbanken Norden Tema              | 802015-0804 |
| Handelsbanken Nordiska Småbolag        | 504400-4173 |
| Handelsbanken Norge Tema               | 515602-8853 |
| Handelsbanken Svenska Småbolag         | 504400-1377 |
| Handelsbanken Sverige Selektiv         | 515602-6998 |
| Handelsbanken Sverige Tema             | 504400-6624 |
| Handelsbanken Tillväxtmarknad Tema     | 504400-6178 |

#### Alternativa Fonder

|                                  |             |
|----------------------------------|-------------|
| Handelsbanken Räntestrategi      | 515601-9803 |
| Handelsbanken Räntestrategi Plus | 515602-7657 |

#### Blandfonder

|                                     |             |
|-------------------------------------|-------------|
| Handelsbanken Aktiv 30              | 515602-8226 |
| Handelsbanken Aktiv 50              | 515602-8234 |
| Handelsbanken Aktiv 70              | 515602-8242 |
| Handelsbanken Aktiv 100             | 515602-8259 |
| Handelsbanken Kapitalförvaltning 25 | 515602-8622 |
| Handelsbanken Kapitalförvaltning 50 | 515602-7038 |
| Handelsbanken Kapitalförvaltning 75 | 515602-8614 |
| Handelsbanken Multi Asset 15        | 515602-9026 |
| Handelsbanken Multi Asset 25        | 515602-6857 |
| Handelsbanken Multi Asset 40        | 515602-9034 |
| Handelsbanken Multi Asset 50        | 515601-9977 |
| Handelsbanken Multi Asset 60        | 515602-9042 |
| Handelsbanken Multi Asset 75        | 515602-3532 |
| Handelsbanken Multi Asset 100       | 515601-9985 |
| Handelsbanken Multi Asset 120       | 515602-9059 |
| Handelsbanken Pension 50 Aktiv      | 515602-6865 |
| Handelsbanken Pension 60 Aktiv      | 515602-6873 |
| Handelsbanken Pension 70 Aktiv      | 515602-6881 |
| Handelsbanken Pension 80 Aktiv      | 515602-6899 |
| Handelsbanken Pension 90 Aktiv      | 515602-7665 |
| Handelsbanken Prime Balanced        | 515603-2848 |
| Handelsbanken Prime Defensiv        | 515603-2855 |
| Handelsbanken Prime Moderate        | 515603-2863 |
| Handelsbanken Prime Opportunity     | 515603-2871 |
| Handelsbanken Prime Potential       | 515603-2889 |
| Handelsbanken Stiftelsefond         | 504400-9271 |

#### Räntefonder

|   |             |
|---|-------------|
| Handelsbanken Euro Corporate Bond Fund                  | 515602-8085 |
| Handelsbanken Euro Obligation                           | 515602-7053 |
| Handelsbanken Euro Ränta                                | 515602-6980 |
| Handelsbanken Flexibel Ränta                            | 515602-6691 |
| Handelsbanken Företagsobligation                        | 515602-7095 |
| Handelsbanken Företagsobligation Investment Grade       | 515602-7962 |
| Handelsbanken Företagsobligation Investment Grade (NOK) | 515602-8838 |
| Handelsbanken Hållbar Global Obligation                 | 515603-0008 |
| Handelsbanken Hållbar Global High Yield                 | 515603-2251 |
| Handelsbanken Høyrente                                  | 515602-8879 |
| Handelsbanken Institutionell Kortrränta                 | 515602-8580 |
| Handelsbanken Kort Rente Norge                          | 515602-8861 |
| Handelsbanken Kortrränta                                | 515602-9745 |
| Handelsbanken Kortrränta SEK                            | 802014-5614 |
| Handelsbanken Kredit                                    | 515603-0339 |
| Handelsbanken Långränta                                 | 802014-5630 |
| Handelsbanken Obligasjon                                | 515602-8887 |
| Handelsbanken Räntheavkastning                          | 515602-7020 |
| Handelsbanken Tillväxtmarknad Obligation                | 515602-9869 |

### Passivt förvaltade fonder

#### Aktiefonder

|   |             |
|---|-------------|
| Handelsbanken Developed Markets Index Criteria    | 515603-3069 |
| Handelsbanken Emerging Markets Index              | 515602-9893 |
| Handelsbanken Europa Index Criteria               | 504400-8075 |
| Handelsbanken Global Dynamisk Strategi            | 515602-9737 |
| Handelsbanken Global High Dividend Low Volatility | 515603-0636 |
| Handelsbanken Global Index Criteria               | 515602-9752 |
| Handelsbanken Global Infrastruktur                | 515603-2996 |
| Handelsbanken Global Momentum                     | 515603-1527 |
| Handelsbanken Global Småbolag Index Criteria      | 515602-9281 |
| Handelsbanken Norden Index Criteria               | 515602-9232 |
| Handelsbanken Norge Index Criteria                | 515602-9778 |
| Handelsbanken Sverige 100 Index Criteria          | 515602-4530 |
| Handelsbanken Sverige Index Criteria              | 515602-0355 |
| Handelsbanken USA Index Criteria                  | 515602-4738 |

#### Blandfonder

|                                 |             |
|---------------------------------|-------------|
| Handelsbanken Auto 25 Criteria  | 515602-9604 |
| Handelsbanken Auto 50 Criteria  | 515602-9612 |
| Handelsbanken Auto 75 Criteria  | 515602-9620 |
| Handelsbanken Auto 100 Criteria | 515602-9638 |
| Handelsbanken Pension 40        | 515602-9679 |
| Handelsbanken Pension 50        | 515602-9687 |
| Handelsbanken Pension 60        | 515602-9695 |
| Handelsbanken Pension 70        | 515602-9703 |
| Handelsbanken Pension 80        | 515602-9711 |
| Handelsbanken Pension 90        | 515602-9729 |

#### Räntefonder

|                         |             |
|-------------------------|-------------|
| Handelsbanken Realränta | 515602-4282 |
|-------------------------|-------------|

### Börshandlade fonder

|  |             |
|--|-------------|
| XACT BEAR (ETF)                                      | 515602-0017 |
| XACT BEAR 2 (ETF)                                    | 515602-3615 |
| XACT BULL (ETF)                                      | 515602-0025 |
| XACT BULL 2 (ETF)                                    | 515602-3607 |
| XACT Norden (UCITS ETF)                              | 515602-1007 |
| XACT Nordic High Dividend Low Volatility (UCITS ETF) | 515602-9000 |
| XACT Obligation (UCITS ETF)                          | 515602-7830 |
| XACT OMXC25 ESG (UCITS ETF)                          | 515602-9067 |
| XACT OMXS30 ESG (UCITS ETF)                          | 504400-7747 |
| XACT Svenska Småbolag (UCITS ETF)                    | 515602-7848 |
| XACT Sverige (UCITS ETF)                             | 504400-9362 |

Stockholm den 11 april 2024



Daniel Andersson  
ORDFÖRANDE



Malin Björkmo



Helen Fasth Gillstedt



Lars Seiz



Åsa Holtman Öhman



Magdalena Wahlqvist Alveskog  
VERKSTÄLLANDE DIREKTÖR

Våra revisionsberättelser har avgivits den 11/4 2024.

PricewaterhouseCoopers AB



Helena Kaiser de Carolis  
Auktoriserad revisor



# Revisionsberättelse

Till andelsägarna i Värdepappersfond Handelsbanken Euro Ränta, org.nr 515602-6980

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## Rapport om årsberättelse

### Uttalande

Vi har i egenskap av revisorer i Handelsbanken Fonder AB, organisationsnummer 556418-8851, utfört en revision av årsberättelsen för Värdepappersfonden Handelsbanken Euro Ränta för år 2023, med undantag för hållbarhetsinformationen under rubriken "Bilaga innehållande hållbarhetsrelaterade upplysningar" ('hållbarhetsinformationen').

Enligt vår uppfattning har årsberättelsen upprättats i enlighet med lagen om värdepappersfonder samt Finansinspektionens föreskrifter om värdepappersfonder och ger en i alla väsentliga avseenden rättvisande bild av Värdepappersfond Handelsbanken Euro Ränta:s finansiella ställning per den 31 december 2023 och av dess finansiella resultat för året enligt lagen om värdepappersfonder samt Finansinspektionens föreskrifter om värdepappersfonder.

### Grund för uttalande

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till fondbolaget enligt god revisions sed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för vårt uttalande.

### Annan information än årsberättelsen

Den andra informationen består av hållbarhetsinformationen under rubriken "Bilaga innehållande hållbarhetsrelaterade upplysningar" ('hållbarhetsinformationen'). Det är fondbolaget som har ansvaret för denna andra information.

Vårt uttalande avseende årsberättelsen omfattar inte denna information och vi gör inget uttalande med bestyrkande avseende denna andra information.

I samband med vår revision av årsberättelsen är det vårt ansvar att läsa den information som identifierats ovan och överväga om informationen i väsentlig utsträckning är oförenlig med årsberättelsen. Vid denna genomgång beaktar vi även den kunskap vi i övrigt inhämtat under revisionen samt bedömer om informationen i övrigt verkar innehålla väsentliga felaktigheter.

Om vi, baserat på det arbete som har utförts avseende denna information, drar slutsatsen att den andra informationen innehåller en väsentlig felaktighet, är vi skyldiga att rapportera detta. Vi har inget att rapportera i det avseendet.

### Fondbolagets ansvar

Det är fondbolaget som har ansvaret för att årsberättelsen upprättas och att den ger en rättvisande bild enligt lagen om värdepappersfonder samt Finansinspektionens föreskrifter om värdepappersfonder. Fondbolaget ansvarar även för den interna kontroll som det bedömer är nödvändig för att upprätta en årsberättelse som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.



## Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsberättelsen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionsssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsberättelsen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsberättelsen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av fondbolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i fondbolagets uppskattningar i redovisningen och tillhörande upplysningar.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsberättelsen, däribland upplysningarna, och om årsberättelsen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera fondbolaget om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

## Revisorns yttrande avseende den lagstadgade hållbarhetsinformationen

Det är fondbolaget som har ansvaret för hållbarhetsinformationen under rubriken "Bilaga innehållande hållbarhetsrelaterade upplysningar" och för att den är upprättad i enlighet med lag om värdepappersfonder.

Vår granskning av hållbarhetsinformationen för fonden har skett enligt FAR:s rekommendation RevR 12 Revisorns yttrande om den lagstadgade hållbarhetsrapporten. Detta innebär att vår granskning av hållbarhetsinformationen har en annan inriktning och en väsentligt mindre omfattning jämfört med den inriktning och omfattning som en revision enligt International Standards on Auditing och god revisionsssed i Sverige har. Vi anser att denna granskning ger oss tillräcklig grund för vårt uttalande.

Hållbarhetsinformation har lämnats i årsberättelsen.

Stockholm, den 11 april 2024  
PricewaterhouseCoopers AB

A handwritten signature in blue ink, appearing to read 'Helena Kaiser de Carolis', written over a light blue circular stamp.

Helena Kaiser de Carolis  
Auktoriserad revisor



[The prospectus, fund rules and fact sheets for each fund are available in the mutual fund price list at handelsbanken.se/funds.](#)

Handelsbanken Fonder AB is a wholly-owned subsidiary of Svenska Handelsbanken AB (PLC).

**About risk**

Historical yields are not a guarantee of future returns. A fund can both increase and decrease in value and it is not guaranteed that you will recover the entire invested amount. Note that a fund with risk level 5-7, as stated in the fund's fact sheet (KID), can vary greatly in value due to the fund's composition and management methodology. Summary of investors' rights, prospectus, fund rules and KID are available under each fund at [handelsbanken.se/funds](#).