

ANNEX V

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

Product name: Handelsbanken Europa Index Criteria

Legal entity identifier: 549300E4GIBPQ6URI732

Sustainable investment

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

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

Sustainable investment objective

Did this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> Yes	<input checked="" type="radio"/> <input type="radio"/> <input type="checkbox"/> No
<input checked="" type="checkbox"/> It made sustainable investments with an environmental objective : 77.61%	<input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
<input checked="" type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input checked="" type="checkbox"/> It made sustainable investments with a social objective : 6.36%	<input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments
	<input type="checkbox"/> with a social objective



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

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

The fund's objective is to reduce the emissions of carbon and other greenhouse gases and it attains this by tracking a Paris Aligned Benchmark (PAB index) during the reference period. The index consists of a registered EU reference value for alignment with the Paris Agreement pursuant to Regulation (EU) 2016/1011 (the Benchmark Regulation) and is an index with specific sustainability requirements. The sustainability requirements in the index aim to reduce the emissions of carbon and other greenhouse gases. The companies in the index are selected and weighted in such a manner that the index portfolio's greenhouse gas emissions are aligned with the long-term targets in the Paris Agreement.

The fund company reports the fund in accordance with Article 9(3) of Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector (SFDR).

The fund's proportion of sustainable investments in 2023 totaled 83.98%, based on an average of the results of the fund's sustainable investments per quarter. It should be noted that the fund company reported the fund pursuant to Article 8 until 12 May 2023 due to ambiguities in the Sustainable Finance Disclosure Regulation (SFDR). In April 2023, the EU Commission provided a clarification, which states that index funds that track a registered EU reference value for alignment with the Paris Agreement (so-called Paris Aligned Benchmark) fulfill the requirement for reporting as Article 9.3 funds. As a result, the fund is considered to fulfill the requirement for sustainable investments at the product level instead of an assessment of what constitutes a sustainable investment made at the company level.

The fund's reporting of the proportion of sustainable investments for the year is calculated as an average of the results per quarter, and thereby differs from the fund's level of sustainable investments at the close of 2023. The total figure for 2023 is based on the following quarterly figures: Q1 2023: 38,3%; Q2 2023: 99,6%; Q3 2023: 99,1%; Q4 2023: 98,9%.

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

Alleviating Poverty (SDG 1), 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), Safeguarding Peace (SDG 16).

● *How did the sustainability indicators perform?*

Metric	Value 2023	Value 2022
Share of sustainable investments (%)	83.98%	38.95%
Carbon footprint (Scope 1,2,3) (tCO ₂ eq/EURm)	365.49	384.51
GHG Intensity (Scope 1, 2, 3) (tCO ₂ eq/EURm)	910.84	813.44
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 (%)	1.29%	1.02%

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

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

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

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.

How did the sustainable investments not cause significant harm to any 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 during the reference period.

For this fund, which has the objective at the fund level of reducing carbon emissions and other greenhouse gases, the fund company ensures this in its index methodology by fulfilling all of, and in some cases exceeding, the obligatory requirements established for a Paris Aligned Benchmark.

Accordingly, the fund's investee companies apply the following principles:

- Exclusion criteria for companies with activities linked to controversial sectors as well as specific PAI-indicators, such as fossil fuels and controversial weapons.
- Exclusion criteria for companies with confirmed violations of international norms and conventions.
- Exclusion criteria for companies that cause significant harm to one or several environmental objectives linked to mitigation of climate change, adaptation to climate change, sustainable use and protection of water and marine resources, transition to a circular economy, prevention and reduction of environmental pollution, protection and restoration of biodiversity and ecosystems.

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

The indicators for adverse impacts on sustainability factors are taken into account by integrating and considering the companies' emissions of carbon and other greenhouse gases in the index methodology and thereby in the portfolio composition. This is done to attain the objective of a reduction in the emissions of carbon and other greenhouse gases. Through screening and exclusion, the fund and its index exclude issuers linked to controversial sectors as well as issuers with confirmed violations of international norms and conventions, such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises. The fund company manages its sustainability risks and possible principle adverse impacts on sustainability factors through engagement in the form of dialogue.

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 the application of the fund company's exclusion strategy in the index methodology.



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

By meeting the requirements for sustainable investments at the product level pursuant to Regulation (EU) 2016/1011 (the Benchmark Regulation), the fund considers principal adverse impacts on sustainability factors through the regulations applied for the fund's Paris Aligned Benchmark index.

Some of the adverse impacts are managed through exclusion within the scope of the fund's index methodology. The aim is to ensure that no companies are involved in activities with an increased risk of having an adverse impact on sustainability factors. This applies to activities regarding the production and distribution of banned weapons, nuclear weapons, weapons and military equipment, alcohol, tobacco, cannabis, pornography, commercial gambling, fossil fuels, as well as companies that violate international norms and conventions related to human rights, the environment, labor law or combating corruption and bribery. Any deviations are managed through exclusion. Exclusions are built into the fund's index methodology and monitoring relating to the fund's exclusion strategy occurs regularly as well as at the time of the investment.

The indicators that have been analyzed for the fund are disclosed below:

Adverse sustainability indicator & metric	Value 2023	% coverage 2023	Value 2022	% coverage 2022
1.1 GHG Emissions - Scope 1 GHG emissions (tCO ₂ eq)	55,845.84	98.94%	59,694.98	99.44%
1.1 GHG Emissions - Scope 2 GHG emissions (tCO ₂ eq)	14,461.80	98.94%	14,876.72	99.44%
1.1 GHG Emissions - Scope 3 GHG emissions (tCO ₂ eq)	627,980.04	98.94%	599,583.88	99.44%
1.1 GHG Emissions - Scope 1+2 GHG emissions (tCO ₂ eq)	70,307.73		74,571.69	
1.1 GHG Emissions - Scope 1+2+3 GHG emissions (tCO ₂ eq)	698,287.70		674,155.43	
1.2 Carbon Footprint - Carbon Footprint Scope 1+2+3 (tCO ₂ eq/EURm)	365.49	98.94%	384.51	99.44%
1.2 Carbon Footprint - Carbon Footprint Scope 1+2 (tCO ₂ eq/EURm)	36.90	98.94%	42.53	99.44%
1.3 GHG intensity of investee companies - GHG Intensity Scope 1+2+3 (tCO ₂ eq/EURm)	910.84	98.72%	813.44	98.76%
1.3 GHG intensity of investee companies - GHG Intensity Scope 1+2 (tCO ₂ eq/EURm)	85.83	98.72%	95.49	98.76%
1.4 Exposure to companies active in the fossil fuel sector - Share of investments in companies active in the fossil fuel sector (%)	1.29%	98.84%	1.02%	98.71%
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 (%)	55.17%	81.27%	57.64%	78.69%
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 (%)	23.71%	25.19%	25.50%	23.98%
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)				
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	0.48		0.50	

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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) - B – MINING AND QUARRYING	1.70		1.77	
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	0.39		0.39	
1.6 Energy consumption intensity per high impact climate sector - Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector (GWh/EURm) - D – ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	2.37		2.00	
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) - E – WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES	0.67		0.78	
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	0.14		0.14	
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	0.12		0.12	
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	0.64		0.61	
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	0.38		0.27	
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 (%)	7.85%	98.85%	9.59%	98.76%
1.8 Emissions to water - Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average (t/EURm)	0.17	21.10%	0.22	22.10%
1.9 Hazardous waste ratio - Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average (t/EURm)	1.19	89.57%	1.61	62.17%

Contn

Adverse sustainability indicator & metric	Value 2023	% coverage 2023	Value 2022	% coverage 2022
1.10 Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises - Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises (%)	0.00%	98.96%	0.00%	99.44%
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 (%)	23.71%	98.03%	39.04%	97.52%
1.12 Unadjusted gender pay gap - Average unadjusted gender pay gap of investee companies (%)	14.09%	10.42%	13.73%	11.55%
1.13 Board gender diversity - Average ratio of female to male board members in investee companies (%)	39.63%	98.66%	37.81%	98.71%
1.14 Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) - Share of investments in investee companies involved in the manufacture or selling of controversial weapons (%)	0.00%	98.96%	0.00%	99.44%
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 (%)	18.30%	98.56%	27.01%	98.73%
3.9 Lack of a human rights policy - Share of investments in entities without a human rights policy (%)	1.04%	94.73%	0.45%	91.39%
1.15 GHG Intensity - GHG intensity of investee countries (KtonCO ₂ eq/EURm)	0.00	0.00%		0.00%
1.16 Investee countries subject to social violations - Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law.	0.00%	0.00%		0.00%



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
Nestlé	Manufacturing	3.59%	3.94%	CH
ASML Holding	Manufacturing	3.26%	2.91%	NL
Novartis N	Manufacturing	2.53%	2.76%	CH
AstraZeneca	Manufacturing	2.48%	2.50%	GB
Roche Holding	Manufacturing	2.41%	2.74%	CH
Novo Nordisk A/S Ord Sh Class B	Manufacturing	1.83%	2.69%	DK
HSBC	Financial and Insurance Activities	1.72%	1.54%	GB
Unilever	Manufacturing	1.71%	1.87%	GB
Siemens N	Information and Communication	1.61%	1.65%	DE
SAP	Information and Communication	1.49%	1.29%	DE
L'Oreal	Manufacturing	1.45%	1.26%	FR
Sanofi	Manufacturing	1.44%	1.44%	FR
Allianz	Financial and Insurance Activities	1.20%	1.17%	DE
Schneider Electric	Manufacturing	1.17%	1.01%	FR
Air Liquide	Manufacturing	1.08%	0.90%	FR



What was the proportion of sustainability-related investments?

Asset allocation

describes the share of investments in specific assets.

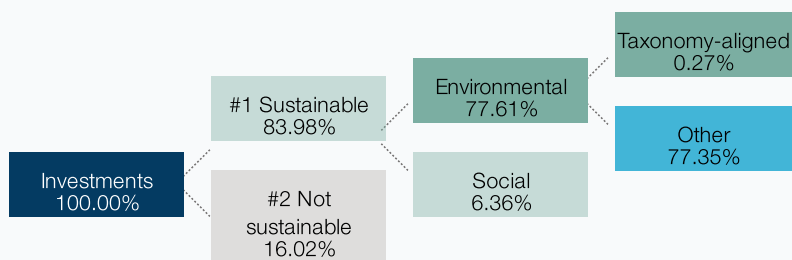
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.

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

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

What was the asset allocation?



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

In which economic sectors were the investments made?

Sector/Industry code	Sector/Industry name	Sum
A	Agriculture, Forestry and Fishing	0.03%
03	Fishing and aquaculture	0.03%
B	Mining and Quarrying	0.72%
07	Mining of metal ores	0.72%
C	Manufacturing	51.50%
10	Manufacture of food products	1.19%
11	Manufacture of beverages	3.72%
14	Manufacture of wearing apparel	0.41%
15	Manufacture of leather and related products of other materials	1.39%
17	Manufacture of paper and paper products	0.99%
20	Manufacture of chemicals and chemical products	7.51%

21	Manufacture of basic pharmaceutical products and pharmaceutical preparations	14.37%
22	Manufacture of rubber and plastic products	0.56%
23	Manufacture of other non-metallic mineral products	0.63%
24	Manufacture of basic metals	0.21%
25	Manufacture of fabricated metal products, except machinery and equipment	0.49%
26	Manufacture of computer, electronic and optical products	4.36%
27	Manufacture of electrical equipment	1.91%
28	Manufacture of machinery and equipment n.e.c.	6.47%
29	Manufacture of motor vehicles, trailers and semi-trailers	3.67%
30	Manufacture of other transport equipment	0.14%
32	Other manufacturing	3.47%
D	Electricity, Gas, Steam and Air Conditioning Supply	2.72%
35	Electricity, gas, steam and air conditioning supply	2.72%
E	Water Supply; Sewerage, Waste Management and Remediation Activities	0.60%
36	Water collection, treatment and supply	0.60%
F	Construction	2.20%
41	Construction of residential and non-residential buildings	0.61%
42	Civil engineering	1.59%
G	Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	3.70%
46	Wholesale trade	0.88%
47	Retail trade	2.82%
H	Transportation and Storage	2.36%
50	Water transport	0.58%
51	Air transport	0.27%
52	Warehousing, storage and support activities for transportation	0.82%
53	Postal and courier activities	0.69%
I	Accommodation and Food Service Activities	0.76%
55	Accommodation	0.11%
56	Food and beverage service activities	0.66%
J	Information and Communication	8.79%
58	Publishing activities	2.19%
59	Motion picture, video and television programme production, sound recording and music publishing activities	0.21%
60	Programming, broadcasting, news agency and other content distribution activities	0.02%
61	Telecommunication	2.60%

62	Computer programming, consultancy and related activities	2.63%
63	Computing infrastructure, data processing, hosting and other information service activities	1.14%
K	Financial and Insurance Activities	18.20%
64	Financial service activities, except insurance and pension funding	10.78%
65	Insurance, reinsurance and pension funding, except compulsory social security	5.01%
66	Activities auxiliary to financial services and insurance activities	2.41%
L	Real Estate Activities	0.68%
68	Real estate activities	0.68%
M	Professional, Scientific and Technical Activities	1.13%
71	Architectural and engineering activities; technical testing and analysis	0.08%
72	Scientific research and development	0.98%
73	Activities of advertising, market research and public relations	0.07%
N	Administrative and Support Service Activities	1.00%
77	Rental and leasing activities	0.21%
80	Investigation and security activities	0.27%
81	Services to buildings and landscape activities	0.19%
82	Office administrative, office support and other business support activities	0.33%
Q	Human Health and Social Work Activities	0.18%
86	Human health activities	0.18%

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?

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

In the fund company's taxonomy reporting, only the taxonomy compatibility reported by the companies themselves is reported. The fund's share of taxonomy-compliant investments for 2023 amounted to 0.90% based on the companies' turnover.

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

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

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

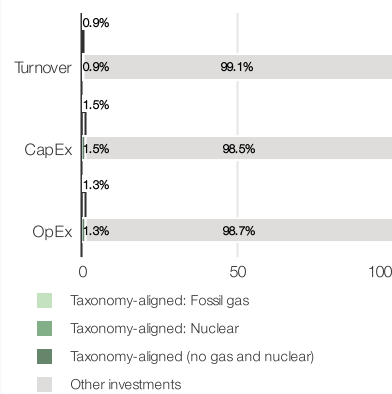
Yes:

In fossil gas In nuclear energy

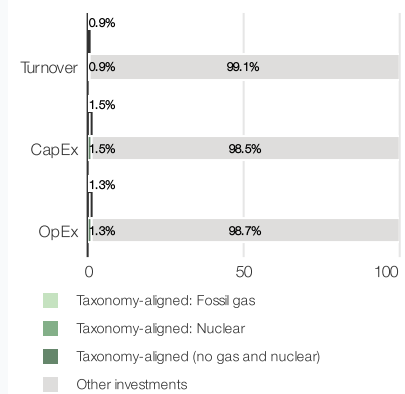
No

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 share of taxonomy-compliant investments for 2023 amounted to 0.01% in transition activities and 0.65% in enabling activities.

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

In 2023, the fund's proportion of taxonomy-aligned investments totaled 0.90%

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 that were not aligned with the EU Taxonomy?

The fund is able to invest in economic activities that currently cannot be classified as aligned with the EU Taxonomy. This occurs, among other reasons, due to the 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 77.35% of sustainable investments with an environmental objective not aligned with the EU Taxonomy.

activities under the EU Taxonomy.

Additionally, the fund had 0.27% 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 6.36% of sustainable investments with a social objective.



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

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



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

Target for reducing carbon emissions

The fund is managed in line with an index that is a registered EU benchmark for alignment with the Paris Agreement (so-called Paris Aligned Benchmark or “PAB Index”), pursuant to Regulation (EU) 2016/1011 (the Benchmark Regulation). The fund and the composition of its index aim to reduce the emissions of carbon and other greenhouse gases. The companies in the fund and index are chosen and weighted in such a way that the index portfolio’s greenhouse gas emissions are aligned with the long-term global warming targets of the Paris Agreement. This means the following:

The index must have a greenhouse gas intensity measured as emissions of greenhouse gases according to Scope 1, 2 and 3, which is at least 55% lower than the greenhouse gas intensity of the reference portfolio and must also show a reduction in the greenhouse gas intensity of at least 7% annually.

The total exposure to the sectors listed as “high climate impact sectors” in Sections A-H and Section L of Annex I to Regulation (EC) No. 1893/2006 (5) of the European Parliament and of the Council must correspond, at a minimum, to the total exposure to these sectors in the reference portfolio. The requirement is established in order to ensure that the index provides a realistic picture of the real economy, including the sectors that need to actively reduce their greenhouse gas emissions in order to achieve the targets of the Paris Agreement.

Within the framework of the index methodology, companies are rewarded if they set targets for greenhouse gas emission reductions that are both clearly established and publicly disclosed (“Science Based Targets”) and/or companies that, via their products and services, positively contribute to the attainment of the environmental objectives of Agenda 2030.

Exclusions

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

Significant changes were made to the portfolio (rebalancing) on two occasions during the reference period to meet the requirement regarding carbon reduction as well as other requirements in the regulations for Paris Aligned Benchmarks.

Asset stewardship

The fund company and the portfolio manager have conducted active asset stewardship during the reference period 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 199 times. 37 of these were dialogues with companies that had holdings in this fund on the balance day. These dialogues aim to support the continuous improvement of the companies' sustainability efforts and include questions regarding how to handle the company's sustainability risks, the prevention of adverse impacts as well as contributions to sustainable development. The dialogues can also be reactive/incident based.

In addition to direct dialogues, the fund company has taken part in collaborative engagements during the reference period, where 388 companies have been addressed together with other investors. 42 of these were dialogues with companies that had holdings in this fund on the balance day. The fund company has carried out engagement activities by participating in initiatives, investor statements and networks during the reference period.

Voting at shareholders' meetings

As a part of the fund company's asset stewardship, the fund company voted at 133 shareholders' meetings during the reference period on behalf of the fund.

Nomination committees

The fund company has through its ownership share taken part in 68 nomination committees and worked to put forward proposals for boards with expertise and diversity. Among these, the fund had holdings in 15 of these companies on the balance day.



How did this financial product perform compared to the reference sustainable benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

• *How did the reference benchmark differ from a broad market index?*

Target for reducing carbon emissions: The fund is managed in accordance with an index that is a registered EU benchmark for alignment with the Paris Agreement (so-called Paris Aligned Benchmark or PAB Index), pursuant to Regulation (EU) 2016/1011 (the Benchmark Regulation). The fund and the composition of its index aim for a reduction to the emissions of carbon and other greenhouse gases. The companies in the fund and index are selected and weighted in such a manner that the index portfolio's greenhouse gas emissions are aligned with the long-term global warming targets of the Paris Agreement. This means the following:

- The index must have a greenhouse gas intensity, measured as emissions of greenhouse gases according to Scope 1, 2 and 3, which is at least 55% lower than the greenhouse gas intensity of the reference portfolio, and it must also show a reduction in greenhouse gas intensity of at least 7% annually.
- The total exposure to the sectors listed as high climate impact sectors in

Sections A-H and Section L of Annex I to Regulation (EC) No. 1893/2006 (5) of the European Parliament and of the Council must correspond, at a minimum, to the total exposure to these sectors in the reference portfolio. The requirement is established in order to ensure that the index provides a realistic picture of the real economy, including the sectors that need to actively reduce their greenhouse gas emissions in order to achieve the targets in the Paris Agreement.

- Within the framework of the index methodology, companies are rewarded if they set Science Based Targets, meaning targets for a reduction in

greenhouse gas emissions that are both clearly established and publicly disclosed, and/or companies that, via their products and services, positively contribute to the attainment of the environmental objectives in Agenda 2030.

Furthermore, the index has exclusion criteria regarding the production and distribution of controversial weapons, nuclear weapons, military equipment, alcohol, tobacco, cannabis, pornography, commercial gambling, fossil fuels, as well as companies with confirmed violations of international norms and conventions related to human rights, the environment, employee rights or anti-corruption and anti-bribery. The index also has exclusion criteria for companies that cause significant harm to one or more environmental objectives related to mitigation of climate change, adaptation to climate change, sustainable use and protection of water and marine resources, transition to a circular economy, prevention and reduction of environmental pollution, as well as protection and restoration of biodiversity and ecosystems.

● ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

The fund is compared to a broad, market cap-weighted European index. As for the requirement for an annual carbon reduction of at least 7%, this is calculated according to the fund's index methodology in November and May.

The presentation of the follow-up occurs in the fund's benchmark statement under the headings "ADDITIONAL DISCLOSURE ON 'EU CLIMATE TRANSITION BENCHMARK' OR 'EU PARIS-ALIGNED BENCHMARKS'" as well as "DISCLOSURE OF THE ALIGNMENT WITH THE OBJECTIVES OF THE PARIS AGREEMENT".

https://www.solactive.com/wp-content/uploads/solactiveip/en/Benchmark_Statement_DE000SL0JZF1.pdf

The sustainability indicators of the fund and the index as well as the fund's performance relative to a broad market index are reported below.

● ***How did this financial product perform compared with the reference benchmark?***

The fund is an index fund managed in line with its reference benchmark (Solactive ISS ESG Screened Paris Aligned Europe Index NTR). This means that the fund's performance with regard to the sustainability indicators in all essential aspects are consistent with the reference benchmark's corresponding performance.

● ***How did this financial product perform compared with the broad market index?***

	Handelsbanken Europa Index Criteria	Broad market index
Share of sustainable investments (%)	83,98%	30,83%
Carbon footprint (Scope 1,2,3) (tCO ₂ eq/EURm)	365,49	1 045,86
Greenhouse gas emissions (Scope 1,2,3) (tCO ₂ eq/EURm)	910,84	971,25
Share of investments in companies that are active within the fossil fuels sector (%)	1,29%	9,78%
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%	4,03%