

- 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 Science Based Targets, meaning targets for greenhouse gas emission reduction 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 of Agenda 2030.

The index also has exclusion criteria regarding production and distribution of controversial weapons, nuclear weapons, weapons and military equipment, alcohol, tobacco, cannabis, pornography, commercial gambling and fossil fuels, as well as to 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 regarding companies are excluded if they cause significant harm to one or more environmental objectives linked to climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, prevention and mitigation of environmental pollution, protection and restoration of biodiversity and ecosystems.

The requirement for an annual carbon reduction of at least 7% 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_DE000SLA41K7.pdf

The fund is classified as a fund pursuant to 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).

Index funds that track a PAB index are regarded as meeting the requirement of contributing to an environmental objective at the fund-/product level and thus constitute a sustainable investment in accordance with the definition in SFDR. The target of reducing carbon emissions and other greenhouse gases applies to the fund in its entirety and not to each individual company included in the fund.

The fund's share of sustainable investments in 2024 amounted to 98.84%, based on an average outcome of the fund's sustainable investments per quarter.

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

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

The fund, through the index methodology, has also promoted the following social objective:

- Good Health and Well-being (SDG 3) by excluding companies and issuers with activities linked to alcohol, tobacco, cannabis and commercial gambling.
- No poverty (SDG 1) by excluding companies and issuers with activities linked to weapons and military equipment, including controversial weapons and

- nuclear weapons.
- Gender equality (SDG 5) by excluding companies and issuers with activities linked to pornography.
- Decent work and economic growth (SDG 8) by excluding companies and issuers with activities linked to tobacco and pornography .
- Peace, justice and strong institutions (SDG 16) by excluding companies and issuers with activities linked to weapons and military equipment, including controversial weapons and nuclear weapons.

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

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

● *How did the sustainability indicators perform?*

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

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

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

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

Calculation methodology:

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

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

Metric	Value 2024	Value 2023	Value 2022
Share of sustainable investments (%)	98.84%	80.82%	27.71%
Carbon footprint (Scope 1,2,3) (tCO ₂ eq/EURm)	407.53	471.25	488.83
GHG Intensity (Scope 1, 2, 3) (tCO ₂ eq/EURm)	940.00	1,070.17	1,118.27
UN Global Compact principles and OECD Guidelines for Multinational Enterprises: Share of investments in investee companies that have been involved in violations of the UN Global Compact principles and OECD Guidelines for Multinational Enterprises (%)	0.00%	0.00%	0.00%
Share of investments in companies that are active within the fossil fuels sector (%)	0.93%	0.75%	0.70%

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

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

The fund company does not invest in companies deemed to have verified violations of the UN Global Compact and the OECD Guidelines for Multinational Enterprises, nor does the fund company make investments with exposure to banned or controversial weapons or companies with revenue in excess of 5% that

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.

is derived from activities (production/distribution) linked to weapons and military equipment, alcohol, tobacco, cannabis, pornography, commercial gambling and fossil fuels, with the exception of any investments in approved transition companies. In exceptional cases, an existing holding can obtain a modified analysis, in which case the holding will be sold as soon as possible, although an exposure may exist during the short period between the changed signal and the sale.

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

For this fund, which has a target of reducing carbon emissions and other greenhouse gases at the fund level, the fund company ensures this by fulfilling all the mandatory requirements in the index methodology set forth for a Paris Aligned Benchmark (PAB).

The following companies have been excluded from this reference benchmark in accordance with the index methodology for PAB:

- a. Companies involved in any activities related to controversial weapons.
- b. Companies involved in the cultivation and production of tobacco.
- c. Companies that benchmark administrators find in violation of the United Nations Global Compact (UNGC) principles or the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.
- d. Companies that derive 1% or more of their revenues from exploration, mining, extraction, distribution or refining of hard coal and lignite.
- e. Companies that derive 10% or more of their revenues from the exploration, extraction, distribution or refining of oil fuels.
- f. Companies that derive 50% or more of their revenues from the exploration, extraction, manufacturing or distribution of gaseous fuels.
- g. Companies that derive 50% or more of their revenues from electricity generation with a GHG intensity of more than 100 g CO₂ e/kWh

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

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?

Certain indicators for adverse impacts on sustainability factors (PAI) are taken into account by excluding certain investments linked to sectors for fossil fuels, PAI 1.4; banned weapons, PAI 1.14; and companies with confirmed violations of international norms and conventions related to human rights, employee rights or anti-corruption and anti-bribery, PAI 1.10. Exclusions are built into the fund's index methodology and verification related to the fund's exclusion strategy occurs at the time of the investment as well as ongoing. Other adverse impacts on sustainability factors are managed through active corporate governance and dialogue.

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

Adverse sustainability indicator & metric	Value 2024	% coverage 2024	Value 2023	% coverage 2023	Value 2022	% coverage 2022
1.1 GHG Emissions - Scope 1 GHG emissions (tCO2eq)	38,330.56	98.11%	31,332.99	98.81%	23,440.00	99.26%
1.1 GHG Emissions - Scope 2 GHG emissions (tCO2eq)	16,062.66	98.11%	13,751.70	98.81%	10,994.27	99.26%
1.1 GHG Emissions - Scope 3 GHG emissions (tCO2eq)	0.75	98.11%	0.76	98.81%	392,899.68	99.26%
1.1 GHG Emissions - Scope 1+2 GHG emissions (tCO2eq)	0.34		0.33		34,434.33	
1.1 GHG Emissions - Scope 1+2+3 GHG emissions (tCO2eq)	682,018.48		522,044.49		427,333.76	
1.2 Carbon Footprint - Carbon Footprint Scope 1+2+3 (tCO2eq/EURm)	407.53	98.11%	471.25	98.81%	488.83	99.26%
1.2 Carbon Footprint - Carbon Footprint Scope 1+2 (tCO2eq/EURm)	32.50	98.11%	40.74	98.81%	39.39	99.26%
1.3 GHG intensity of investee companies - GHG Intensity Scope 1+2+3 (tCO2eq/EURm)	940.00	96.79%	1,070.17	97.72%	1,118.27	97.87%
1.3 GHG intensity of investee companies - GHG Intensity Scope 1+2 (tCO2eq/EURm)	78.09	96.79%	107.69	97.72%	119.09	97.87%
1.4 Exposure to companies active in the fossil fuel sector - Share of investments in companies active in the fossil fuel sector (%)	0.93%	97.77%	0.75%	98.53%	0.70%	98.93%
1.5 Share of non-renewable energy consumption and Production - Share of non-renewable energy consumption of investee companies compared to renewable energy sources, expressed as a percentage (%)	76.54%	42.09%	79.17%	33.43%	80.13%	29.55%
1.5 Share of non-renewable energy consumption and Production - Share of non-renewable energy production of investee companies compared to renewable energy sources, expressed as a percentage (%)	10.79%	16.22%	11.80%	11.66%	10.31%	10.40%
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	0.69		2.08		0.40	
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	1.14		6.62		1.26	
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	0.62		0.89		49.75	
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	2.56		2.42		2.23	

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Adverse sustainability indicator & metric	Value 2024	% coverage 2024	Value 2023	% coverage 2023	Value 2022	% coverage 2022
1.6 Energy consumption intensity per high impact climate sector - Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector (GWh/EURm) - E – WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES	0.39		0.29		0.31	
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		0.16		0.20	
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	0.08		0.27		489.43	
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	1.66		1.98		2.07	
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	0.39		0.69		1.13	
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 (%)	0.65%	97.82%	0.50%	98.59%	0.43%	99.04%
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)	19.16	2.52%	20.77	2.48%	25.98	2.43%
1.9 Hazardous waste ratio - Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average (t/EURm)	5.92	97.19%	24.53	77.66%	69.49	20.01%
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%	98.74%	0.00%	98.96%	0.00%	99.43%
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 (%)	78.91%	97.15%	78.56%	96.47%	86.24%	84.83%
1.12 Unadjusted gender pay gap - Average unadjusted gender pay gap of investee companies (%)	19.88%	3.43%	20.57%	3.28%	16.99%	3.01%
1.13 Board gender diversity - Average ratio of female to male board members in investee companies (%)	31.88%	97.63%	30.62%	98.42%	29.31%	97.88%
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%	98.76%	0.02%	98.99%	0.01%	99.45%
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 (%)	69.63%	97.47%	75.26%	98.47%	79.29%	98.52%

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Adverse sustainability indicator & metric	Value 2024	% coverage 2024	Value 2023	% coverage 2023	Value 2022	% coverage 2022
3.9 Lack of a human rights policy - Share of investments in entities without a human rights policy (%)	23.24%	96.98%	26.34%	92.87%	28.69%	89.25%
1.15 GHG Intensity - GHG intensity of investee countries (KtonCO2eq/EURm)		0.00%	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%		0.00%



What were the top investments of this financial product?

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

Largest investments	Sector	% Assets 2024	% Assets 2023	% Assets 2022	Country
Monolithic Power Systems	Manufacturing	0.38%	0.34%	0.20%	US
MicroStrategy A	Information and Communication	0.38%	0.06%	0.02%	US
Axon Enterprise	Manufacturing	0.36%	0.23%	0.18%	US
Deckers Outdoor	Manufacturing	0.33%	0.21%	0.17%	US
Publicis Group	Professional, Scientific and Technical Activities	0.32%	0.28%	0.19%	FR
Vertiv Holdings A	Manufacturing	0.31%	0.15%	0.06%	US
Brown & Brown	Financial and Insurance Activities	0.28%	0.25%	0.23%	US
PTC	Information and Communication	0.28%	0.25%	0.20%	US
Tyler Technologies	Information and Communication	0.28%	0.24%	0.22%	US
First Solar	Manufacturing	0.27%	0.28%	0.23%	US
LPL Financial Holdings	Financial and Insurance Activities	0.27%	0.26%	0.27%	US
Godaddy A	Information and Communication	0.26%	0.19%	0.19%	US
Hubbell	Manufacturing	0.25%	0.23%	0.19%	US
Builders FirstSource	Manufacturing	0.25%	0.26%	0.17%	US
First Citizens Bancshares A	Financial and Insurance Activities	0.25%	0.19%	0.09%	US



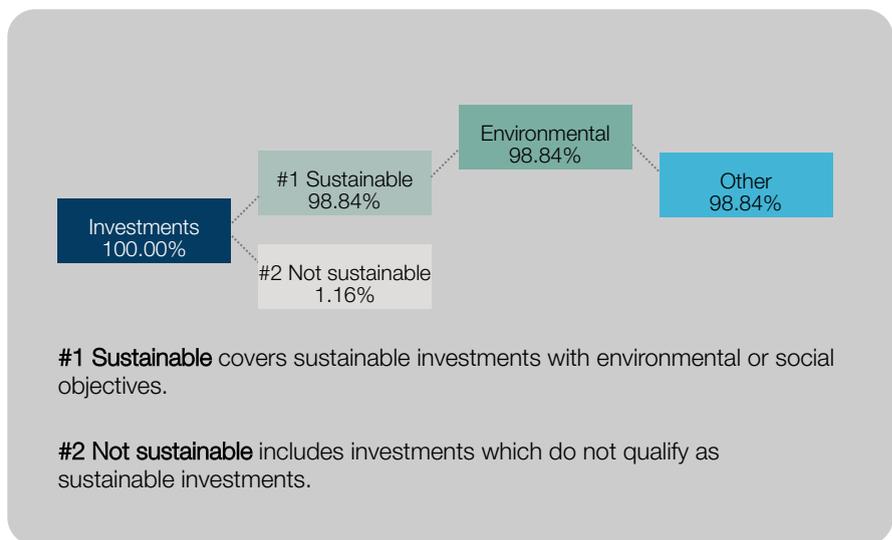
What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

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

What was the asset allocation?



In which economic sectors were the investments made?

Sector/Industry code	Sector/Industry name	Sum
A	Agriculture, Forestry and Fishing	0.13%
01	Crop and animal production, hunting and related service activities	0.04%
02	Forestry and logging	0.08%
03	Fishing and aquaculture	0.01%
B	Mining and Quarrying	1.64%
07	Mining of metal ores	1.56%
08	Other mining and quarrying	0.08%
09	Mining support service activities	0.01%
C	Manufacturing	32.77%
10	Manufacture of food products	1.19%
11	Manufacture of beverages	0.33%
13	Manufacture of textiles	0.10%
14	Manufacture of wearing apparel	0.74%
15	Manufacture of leather and related products of other materials	0.90%
16	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	0.84%
17	Manufacture of paper and paper products	0.71%
18	Printing and reproduction of recorded media	0.04%
19	Manufacture of coke and refined petroleum products	0.10%
20	Manufacture of chemicals and chemical products	3.34%
21	Manufacture of basic pharmaceutical products and pharmaceutical preparations	3.49%
22	Manufacture of rubber and plastic products	0.66%
23	Manufacture of other non-metallic mineral products	0.98%
24	Manufacture of basic metals	1.00%
25	Manufacture of fabricated metal products, except machinery and equipment	1.15%
26	Manufacture of computer, electronic and optical products	6.62%
27	Manufacture of electrical equipment	2.17%
28	Manufacture of machinery and equipment n.e.c.	4.39%
29	Manufacture of motor vehicles, trailers and semi-trailers	1.09%
30	Manufacture of other transport equipment	0.37%
31	Manufacture of furniture	0.41%
32	Other manufacturing	2.14%
33	Repair, maintenance and installation of machinery and equipment	0.02%
D	Electricity, Gas, Steam and Air Conditioning Supply	0.37%
35	Electricity, gas, steam and air conditioning supply	0.37%
E	Water Supply; Sewerage, Waste Management and Remediation Activities	0.51%
36	Water collection, treatment and supply	0.15%
37	Sewerage	0.05%
38	Waste collection, recovery and disposal activities	0.32%

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Sector/Industry code	Sector/Industry name	Sum
F	Construction	2.94%
41	Construction of residential and non-residential buildings	1.27%
42	Civil engineering	0.80%
43	Specialised construction activities	0.87%
G	Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	7.21%
46	Wholesale trade	3.14%
47	Retail trade	4.07%
H	Transportation and Storage	2.57%
49	Land transport and transport via pipelines	1.03%
50	Water transport	0.35%
51	Air transport	0.52%
52	Warehousing, storage and support activities for transportation	0.63%
53	Postal and courier activities	0.03%
I	Accommodation and Food Service Activities	1.24%
55	Accommodation	0.47%
56	Food and beverage service activities	0.77%
J	Information and Communication	11.66%
58	Publishing activities	5.89%
59	Motion picture, video and television programme production, sound recording and music publishing activities	0.31%
60	Programming, broadcasting, news agency and other content distribution activities	0.74%
61	Telecommunication	0.46%
62	Computer programming, consultancy and related activities	2.90%
63	Computing infrastructure, data processing, hosting and other information service activities	1.37%
K	Financial and Insurance Activities	15.44%
64	Financial service activities, except insurance and pension funding	7.92%
65	Insurance, reinsurance and pension funding, except compulsory social security	3.95%
66	Activities auxiliary to financial services and insurance activities	3.56%
L	Real Estate Activities	8.81%
68	Real estate activities	8.81%
M	Professional, Scientific and Technical Activities	5.06%
69	Legal and accounting activities	0.15%
70	Activities of head offices and management consultancy	0.56%
71	Architectural and engineering activities; technical testing and analysis	0.49%
72	Scientific research and development	2.95%
73	Activities of advertising, market research and public relations	0.68%
74	Other professional, scientific and technical activities	0.19%
75	Veterinary activities	0.02%
N	Administrative and Support Service Activities	1.91%

Contn

Sector/Industry code	Sector/Industry name	Sum
77	Rental and leasing activities	0.81%
78	Employment activities	0.45%
79	Travel agency, tour operator and other reservation service and related activities	0.14%
80	Investigation and security activities	0.28%
81	Services to buildings and landscape activities	0.09%
82	Office administrative, office support and other business support activities	0.15%
O	Public Administration and Defence; Compulsory Social Security	0.02%
84	Public administration and defence; compulsory social security	0.02%
P	Education	0.24%
85	Education	0.24%
Q	Human Health and Social Work Activities	1.70%
86	Human health activities	1.40%
87	Residential care activities	0.20%
88	Social work activities without accommodation	0.11%
R	Arts, Entertainment and Recreation	0.44%
90	Arts creation and performing arts activities	0.08%
93	Sports activities and amusement and recreation activities	0.36%
S	Other Service Activities	0.32%
95	Repair and maintenance of computers, personal and household goods, and motor vehicles and motorcycles	0.05%
96	Personal service activities	0.27%

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-carbon alternatives are not yet available and among others have greenhouse gas emission levels



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

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

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

In the fund company's taxonomy reporting, only the taxonomy compatibility reported by the companies themselves is reported. The fund's share of taxonomy-compliant investments for 2024 amounted to 0.94% 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**

Yes:

In fossil gas

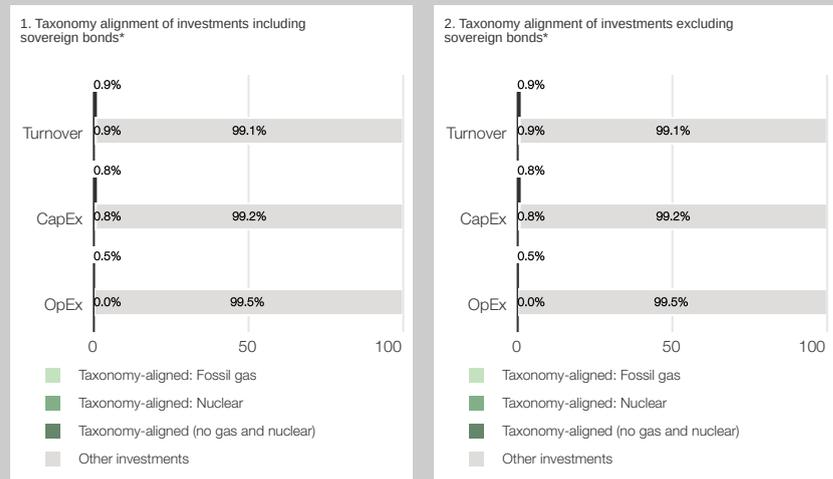
In nuclear energy

No

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

corresponding to the best performance.

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.



*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 2024 amounted to 0.05% in transition activities and 0.20% in enabling activities.

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

In 2024, the fund's proportion of taxonomy-aligned investments totaled 0.94%.

The fund reported taxonomy-aligned investments for the first time in 2023 and these totalled 0.17%.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



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

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

At the end of the reference period, the fund had 98.84% of sustainable investments with an environmental objective not aligned with the EU Taxonomy.

Additionally, the fund had 0.00% of sustainable investments that the fund company, based on estimated and/or reported data, deems as contributing to an environmental objective aligned with the EU Taxonomy (but which cannot with sufficient certainty be classified as compatible with the EU Taxonomy as such).

Additionally, the fund had 0.00% of sustainable investments that the fund company, based on estimated and/or reported data, deems as contributing to an environmental objective aligned with the EU Taxonomy (but which cannot with sufficient certainty be classified as compatible with the EU Taxonomy as such).



What was the share of socially sustainable investments?

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

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



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

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



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

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 50% 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 as a result of the index methodology.

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.

Engagement and 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 148 times. 33 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 448 companies have been addressed together with other investors. 43 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 230 shareholders' meetings during the reference period on behalf of the fund.

Nomination committees

The fund company has through its ownership share taken part in 66 nomination committees and worked to put forward proposals for boards with expertise and diversity. Among these, the fund had holdings in 19 of these companies on the balance day.