

Environmental and/or social characteristics

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.

Did this financial product have a sustainable investment objective?

Yes

No

It made a minimum of sustainable investments with an environmental objective: %

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made a minimum of sustainable investments with a social objective: %

It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it had a minimum a proportion of 3% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but did not make any sustainable investments



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

The fund promoted the following environmental and/or social characteristics:

1. The fund promoted adherence to UN Global Compact, principles, OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights and ILO conventions and other relevant social safeguards through the exclusion of certain activities and conducts deemed harmful to society.
2. The fund promoted environmental safeguards through the exclusion of certain activities deemed to have significant negative climate impact.
3. The fund promoted certain ethical and social safeguards through the exclusion of certain activities deemed to be non-ethical or controversial.
4. The fund considered and addressed principal adverse impacts as reported in this report.
5. The fund sought to influence issuers' impact on sustainability matters through engagement.
6. The fund sought to influence issuers' impact on sustainability matters through voting.

The fund has within the reference period also invested in certain issuers with activities substantially contributing to the objective of climate change mitigation as determined through the alignment criteria of the EU Taxonomy. The weight of investments contributing to the EU Taxonomy with information on calculation methods as well as use of data sources is outlined in below sections of this annex.

The fund did not apply a reference benchmark for the attainment of its environmental and/or social characteristics.

How did the sustainability indicators perform?

The tables below demonstrate by reporting on the fund's sustainability indicators how the environmental and social characteristics of the fund were attained. The sustainability indicators are not subject to assurance provided by an auditor or review by a third party.

Exclusions

Indicator: The fund applies two measurement points for exclusions:

- 1) number of issuers excluded under the separate exclusion category
- 2) number of excluded issuers that the fund is invested into.

For number of excluded issuers the table demonstrates total number of issuers excluded per a given exclusion category. That figure does not provide an indication on impact that the exclusion category has had on the fund.

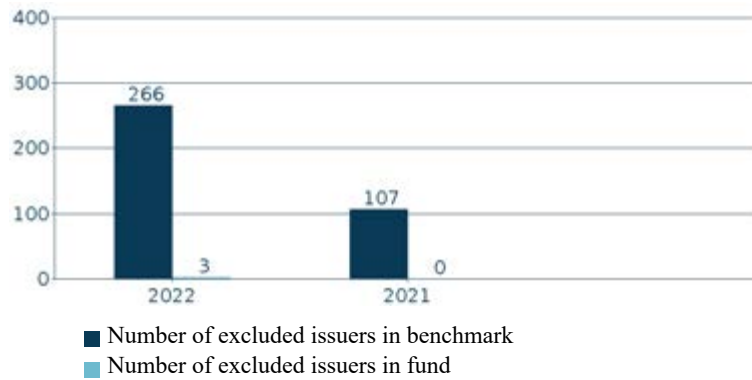
To the extent a reference benchmark exists for the fund, the impact of the exclusion category is evidenced through a comparison between the list of excluded issuers (total) with investments in benchmark. The benchmark is in this respect considered representative for the investment universe of the fund, meaning that the fund could have invested into certain issuers in the benchmark had they not been excluded per the relevant exclusion category.

Number of excluded issuers indicates whether the fund is invested in issuers covered by its exclusion criteria.

Binding element: The fund does not select investments that are excluded on the basis of the exclusion criteria and thresholds used as sustainability indicators to define such adverse activities.

Exclusion category	Exclusion	Total number of applicable exclusions	Total number of excluded companies in BM	Percentage of BM excluded	Total number of excluded companies in portfolio
Activities and conduct deemed harmful to society	Enhanced Sustainability Standards	538	81	1.5%	0
Significant negative impact on the climate	Thermal coal	364	81	0.7%	0
Significant negative impact on the climate	Tar sands	29	6	0.2%	0
Non-Ethical & controversial activities	Pornography	11	0	0.0%	0
Non-Ethical & controversial activities	Statens Pensjonsfond Utland	165	82	1.9%	0
Non-Ethical & controversial activities	Tobacco	129	9	0.3%	0

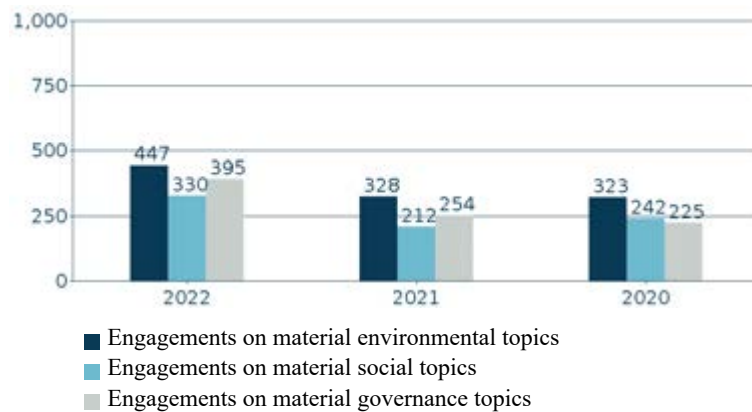
Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.



Engagements

Indicator: Number of engagement activities applied for issuers in the fund. Engagement activities can be conducted by other investment teams than the team responsible for managing the fund.

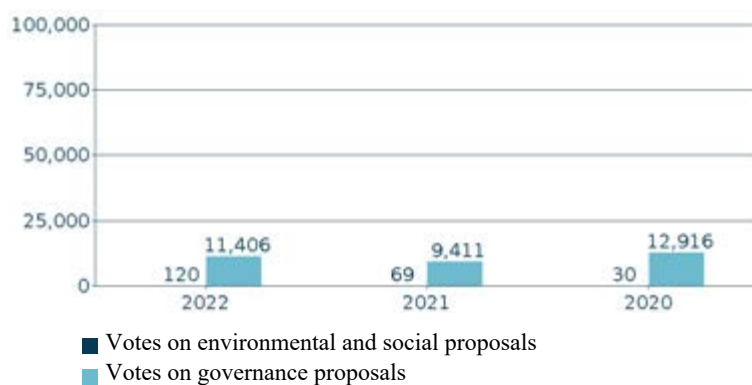
Binding Element: The fund is committed to influence investee companies and/or issuers impact on sustainability matters through engagement on material sustainability topics.



Voting

Indicator: Number of environmental and social proposals voted on

Binding element: The fund commits to vote on environmental and/or social proposals in accordance with the Voting Guidelines



...and compared to previous periods?

To the extent the fund has reported against the sustainability indicators for previous reference periods, the tables above provide a historical comparison against these reference periods.

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 fund took into account mandatory Indicators for adverse impacts on sustainability factors as well as voluntary indicators that Danske Invest Management A/S has opted to consider. The fund considered principal adverse impacts on sustainability factors by seeking to limit such exposures through its screening leading to exclusions, and by monitoring, and if relevant, managing and prioritizing identified principal adverse impacts of issuers in the portfolio through active ownership activities. The fund considered the indicators listed in the principal adverse impact statement of Danske Invest Management A/S.

For more information on whether principal adverse impacts have triggered actions in respect to the fund's investments, see the section "How did the sustainability indicators perform?" above.

For information on the principal adverse impacts of the fund, please refer to the report on principal adverse impacts of the fund enclosed.



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 1 January 2022 (or if launched in 2022 the time of launch) - 30 December 2022

Largest investments	Sector	% Assets	Country
Dix Global Em. Markets Restricted Akk., Kl. Dkk W		10.2%	DK
Apple Inc.	Information Technology	2.7%	US
Atlas Copco Ab A	Industrials	2.3%	SE
Novo Nordisk B	Health Care	2.2%	DK
Microsoft Corp.	Information Technology	2.2%	US
Investor Ab B	Financials	2.0%	SE
Volvo Ab B	Industrials	1.5%	SE
Hexagon Ab B	Information Technology	1.1%	SE
Nordea Bank Abp	Financials	1.1%	FI
Amazon.Com Inc.	Consumer Discretionary	1.1%	US
Evolution Ab	Consumer Discretionary	1.1%	SE
Nvidia Corp.	Information Technology	0.9%	US
Sandvik Ab	Industrials	0.9%	SE
Assa Abloy Ab B	Industrials	0.9%	SE
Skandinaviska Enskilda Banken A	Financials	0.9%	SE



What was the proportion of sustainability-related investments

The fund did not have a commitment to partially invest in sustainable investments or a commitment to invest in environmentally sustainable economic activities in accordance with the EU Taxonomy.

The actual proportion of environmentally sustainable economic activities that the fund has invested into is however reported in the sections and tables below.

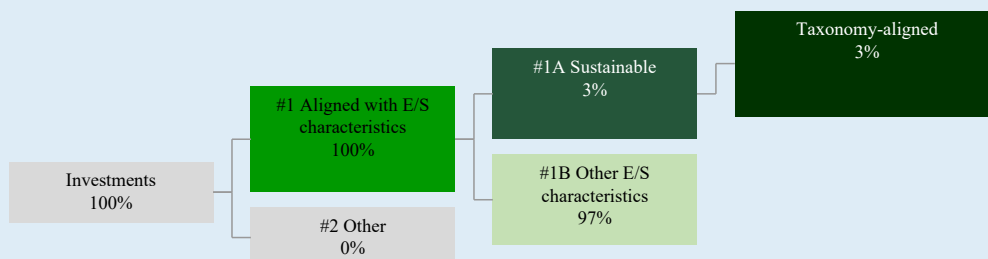
The asset allocation overview below further provides an overview of how the fund's investments have been allocated to investments used for the attainment of the environmental and/social characteristics.

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

The fund promoted environmental and/or social characteristics through screening that provided the foundation for its exclusions and active ownership activities.

The proportion of investments aligned with environmental and/or social characteristics is calculated against the total market value of the fund's investments.



#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:

- The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.
- The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The figures in the chart above show the average allocation numbers during the reference period. The values as of end of reference period were as follows: Investments 100%, #1 Aligned with E/S characteristics 100%, #2 Other 0%

In which economic sectors were the investments made?

The graph is based on holdings where there have been data coverage in respect to sector-allocation. The share of holdings where such data does not exist is outlined in the bar headed "No sector data". Weights for cash and derivatives are not reported meaning that the exposure weights not necessarily add to 100% in total.

Sector	Sub-sector	Pct.
Financials	Diversified Banks	8.25%
Health Care	Pharmaceuticals	6.04%
Industrials	Industrial Machinery	5.13%
Financials	Multi-Sector Holdings	3.17%

Information Technology	Technology Hardware, Storage &	2.91%
Industrials	Construction Machinery & Heavy	2.66%
Information Technology	Semiconductors	2.32%
Information Technology	Systems Software	2.15%
Communication Services	Interactive Media & Services	2.07%
Industrials	Building Products	1.94%
Consumer Discretionary	Internet & Direct Marketing Re	1.90%
Health Care	Biotechnology	1.87%
Energy	Integrated Oil & Gas	1.86%
Consumer Staples	Packaged Foods & Meats	1.67%
Information Technology	Application Software	1.55%
Real Estate	Real Estate Operating Companie	1.52%
Information Technology	Communications Equipment	1.49%
Consumer Discretionary	Automobile Manufacturers	1.48%
Health Care	Health Care Equipment	1.46%
Consumer Staples	Household Products	1.41%
Communication Services	Integrated Telecommunication S	1.37%
Information Technology	Electronic Equipment & Instrum	1.31%
Utilities	Electric Utilities	1.29%
Financials	Asset Management & Custody Ban	1.23%
Information Technology	Data Processing & Outsourced S	1.22%
Industrials	Industrial Conglomerates	1.15%
Industrials	Electrical Components & Equipm	1.07%
Consumer Discretionary	Casinos & Gaming	1.05%
Health Care	Life Sciences Tools & Services	0.99%
Materials	Specialty Chemicals	0.98%
Financials	Life & Health Insurance	0.94%
Information Technology	IT Consulting & Other Services	0.92%
Materials	Diversified Metals & Mining	0.89%
Industrials	Air Freight & Logistics	0.88%
Financials	Multi-line Insurance	0.87%
Energy	Oil & Gas Exploration & Produc	0.83%
Industrials	Construction & Engineering	0.77%
Financials	Property & Casualty Insurance	0.76%
Industrials	Aerospace & Defense	0.76%
Health Care	Managed Health Care	0.75%
Materials	Paper Products	0.74%
Consumer Discretionary	Apparel Retail	0.74%
Consumer Discretionary	Apparel, Accessories & Luxury	0.71%
Industrials	Trading Companies & Distributo	0.71%
Communication Services	Wireless Telecommunication Ser	0.71%
Consumer Staples	Soft Drinks	0.70%
Information Technology	Semiconductor Equipment	0.64%
Consumer Staples	Food Retail	0.62%

Financials	Investment Banking & Brokerage	0.60%
Industrials	Heavy Electrical Equipment	0.58%
Financials	Financial Exchanges & Data	0.55%
Energy	Oil & Gas Refining & Marketing	0.55%
Consumer Discretionary	Restaurants	0.55%
Information Technology	Electronic Components	0.54%
Consumer Discretionary	Home Improvement Retail	0.54%
Consumer Staples	Hypermarkets & Super Centers	0.53%
Industrials	Railroads	0.52%
Energy	Oil & Gas Storage & Transporta	0.51%
Health Care	Health Care Supplies	0.50%
Consumer Staples	Personal Products	0.47%
Real Estate	Specialized REITs	0.45%
Materials	Steel	0.44%
Financials	Regional Banks	0.42%
Consumer Staples	Brewers	0.40%
Materials	Commodity Chemicals	0.40%
Utilities	Multi-Utilities	0.39%
Communication Services	Movies & Entertainment	0.38%
Industrials	Research & Consulting Services	0.36%
Communication Services	Interactive Home Entertainment	0.36%
Industrials	Marine	0.35%
Materials	Forest Products	0.35%
Health Care	Health Care Services	0.34%
Consumer Discretionary	Auto Parts & Equipment	0.34%
Consumer Discretionary	Hotels, Resorts & Cruise Lines	0.34%
Materials	Industrial Gases	0.32%
Industrials	Diversified Support Services	0.31%
Materials	Fertilizers & Agricultural Che	0.30%
Industrials	Agricultural & Farm Machinery	0.30%
Industrials	Environmental & Facilities Ser	0.30%
Financials	Consumer Finance	0.28%
Financials	Insurance Brokers	0.27%
Materials	Paper Packaging	0.26%
Energy	Oil & Gas Equipment & Services	0.26%
Industrials	Security & Alarm Services	0.26%
Communication Services	Cable & Satellite	0.25%
Consumer Discretionary	General Merchandise Stores	0.25%
Materials	Aluminum	0.24%
Financials	Other Diversified Financial Se	0.22%
Consumer Discretionary	Automotive Retail	0.22%
Consumer Staples	Distillers & Vintners	0.22%
Materials	Gold	0.21%
Real Estate	Retail REITs	0.19%

Information Technology	Internet Services & Infrastruc	0.19%
Consumer Discretionary	Footwear	0.18%
Consumer Discretionary	Homebuilding	0.18%
Consumer Discretionary	Household Appliances	0.18%
Health Care	Health Care Distributors	0.17%
Health Care	Health Care Facilities	0.17%
Real Estate	Real Estate Development	0.17%
Consumer Discretionary	Leisure Products	0.16%
Utilities	Gas Utilities	0.16%
Real Estate	Residential REITs	0.16%
Consumer Discretionary	Consumer Electronics	0.16%
Real Estate	Industrial REITs	0.15%
Financials	Diversified Capital Markets	0.15%
Utilities	Renewable Electricity	0.15%
Utilities	Water Utilities	0.14%
Real Estate	Diversified Real Estate Activi	0.14%
Consumer Discretionary	Specialty Stores	0.12%
Industrials	Human Resource & Employment Se	0.12%
Materials	Diversified Chemicals	0.11%
Industrials	Trucking	0.11%
Materials	Construction Materials	0.11%
Health Care	Health Care Technology	0.11%
Industrials	Airlines	0.10%
Financials	Reinsurance	0.10%
Communication Services	Advertising	0.09%
Consumer Discretionary	Distributors	0.09%
Consumer Discretionary	Tires & Rubber	0.09%
Communication Services	Publishing	0.08%
Industrials	Highways & Railtracks	0.08%
Communication Services	Broadcasting	0.08%
Industrials	Airport Services	0.07%
Consumer Discretionary	Leisure Facilities	0.07%
Materials	Copper	0.07%
Real Estate	Health Care REITs	0.06%
Information Technology	Electronic Manufacturing Servi	0.06%
Consumer Staples	Food Distributors	0.05%
Real Estate	Diversified REITs	0.05%
Consumer Staples	Drug Retail	0.05%
Real Estate	Real Estate Services	0.05%
Real Estate	Office REITs	0.04%
Consumer Discretionary	Education Services	0.04%
Financials	Specialized Finance	0.04%
Utilities	Independent Power Producers &	0.04%
Information Technology	Technology Distributors	0.04%

Consumer Staples	Agricultural Products	0.03%
Consumer Discretionary	Housewares & Specialties	0.03%
Materials	Metal & Glass Containers	0.03%
Consumer Discretionary	Computer & Electronics Retail	0.02%
Consumer Discretionary	Department Stores	0.02%
Communication Services	Alternative Carriers	0.02%
Industrials	Marine Ports & Services	0.02%
Consumer Discretionary	Home Furnishings	0.02%
Energy	Coal & Consumable Fuels	0.02%
Consumer Discretionary	Motorcycle Manufacturers	0.02%
Real Estate	Hotel & Resort REITs	0.01%
Materials	Precious Metals & Minerals	0.01%
Financials	Mortgage REITs	0.01%
Consumer Discretionary	Homefurnishing Retail	0.01%
Consumer Discretionary	Textiles	0.01%
Industrials	Office Services & Supplies	0.00%
No sector data		0.12%



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

The fund has not been committed to make investments in environmentally sustainable economic activities aligned with the EU Taxonomy. The actual share of the fund's investments in environmentally sustainable economic activities is reported in the table below. For the purpose of this report the fund has screened for activities contributing to environmental objectives of the EU-Taxonomy and considered to have a significant contribution per the criteria defined in EU-Taxonomy Regulation and underlying delegated acts.

Screening has also been conducted to ensure that these investments did not have significant harm to an environmentally sustainable objective. Finally, the screening has captured minimum social safeguards.

Taxonomy-aligned investments are calculated on basis of the market value of the share of environmentally sustainable economic activities relative to the total market value of the fund's investments. Due to data availability on revenue figures the fund has only been able to assess taxonomy-aligned figures for investments in support of the environmental objective of climate change mitigation.

The Taxonomy-alignment calculation applies turnover as key indicator both in respect of financial and non-financial issuers. The compliance of Taxonomy-aligned investments with the criteria under Article 3 of the EU Taxonomy has not been subject to assurance by auditors or any third party.

As issuers to a large extent have not reported their taxonomy-alignment for the reference year, the fund has in this extraordinary situation mainly relied on assumptions (proxies) from its data vendor, ISS ESG, to determine taxonomy-alignment of issuers' activities. Further, due to data availability on revenue figures the fund is only able to report taxonomy-aligned figures for investments in support of the environmental objective of climate change mitigation.

The methodology applied by the ISS ESG for the proxies ensures an assessment of how issuers are involved in economic activities that substantially contribute to an environmental objective while not significantly harming other sustainable objectives and meeting minimum social safeguards. Do no significant harm assessments has also been done through the fund's own proxies. When issuers start to report taxonomy-alignment, reported alignment figures will replace current proxies.

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, 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 corresponding to the best performance.

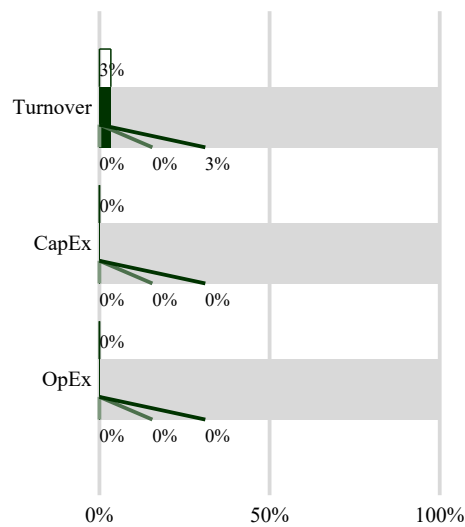
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy*?

- Yes
 In fossil gas
 In nuclear energy
 No

*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 any EU Taxonomy objective – see explanatory note in the 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

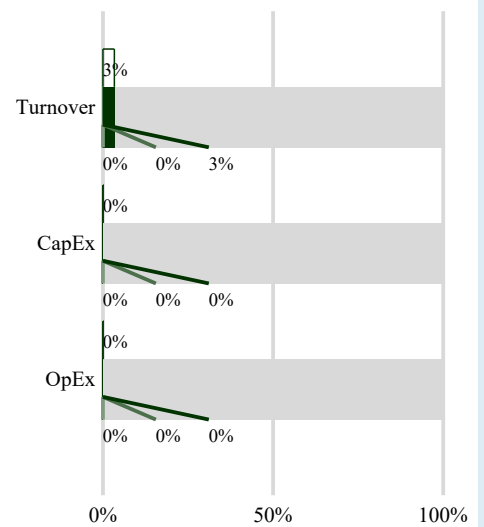
The graph below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product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

1. Taxonomy-alignment of investments including sovereign bonds*



Taxonomy aligned: Fossil gas
 Taxonomy aligned: Nuclear
 Taxonomy aligned (no gas and nuclear)
 Non Taxonomy-aligned

2. Taxonomy-alignment of investments excluding sovereign bonds*



Taxonomy aligned: Fossil gas
 Taxonomy aligned: Nuclear
 Taxonomy aligned (no gas and nuclear)
 Non Taxonomy-aligned

This graph represents 100% of the total investments

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

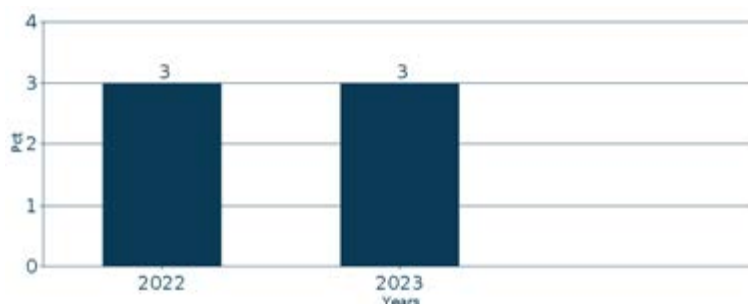
Taxonomy-aligned activities are expressed as a share of

- Turnover reflects the 'greenness' of investee companies today.
- 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.

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

Taxonomy alignment	2023
Investments aligned with the EU taxonomy - Fund	3%
Investments aligned with the EU taxonomy (enabling activities) - Fund	2%
Investments aligned with the EU taxonomy (transitional activities) - Fund	0%

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



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

N/A

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

During the reference period, the fund has managed the strategy in accordance with the binding elements ensuring the attainment of the environmental and/or social characteristics, meaning that issuers have been screened and, as relevant excluded by the fund.

Relevant monitoring has been in place to ensure the attainment of the environmental and/or social characteristics.

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

N/A



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