

Sustainability-related Website Disclosure

Danske Invest Index Europe Restricted - Accumulating KL
LEI code: 549300GFKM8GG84BXV34

SUMMARY

You can read a summary of this document here.

NO SIGNIFICANT HARM TO THE SUSTAINABLE INVESTMENT OBJECTIVE

The fund invests in sustainable investments. This implies, among others, that the fund's sustainable investments do not cause significant harm to any environmental or social sustainable investment objective. This consideration of "no significant harm" is managed through the reference benchmark that the fund has designated to meet its sustainable investment objective together with exclusions applied by the fund, which supplement, and to some extent overlap, those integrated into benchmark construction.

The fund continuously monitors and screens the portfolio against these aspects.

The fund considers the indicators for principal adverse impacts on sustainability factors outlined in the Danske Invest Management A/S' Principal Adverse Impact Statement when performing assessments of do no significant harm. Such considerations are made through the exclusions applied by the fund, including exclusion filters based on thresholds for principals adverse impact indicators. The thresholds are set out in the description of Danske Bank's approach to sustainable investments (Danske Bank Sustainable Investment Houseview and SDG Model) available on:

<https://danskebank.com/sustainability/sustainable-finance/responsible-investments/sustainability-related-disclosures>.

Adverse sustainability indicator (investee companies)	Metric	ISS ESG Data point	Threshold
Greenhouse gas emissions	Scope 1 GHG emissions	ClimateScope1EmissionsEV	>2 665
Greenhouse gas emissions	Scope 2 GHG emissions	ClimateScope2EmissionsEV	>8 785
Greenhouse gas emissions	Scope 3 GHG emissions	ClimateScope3EmissionsEV	>70 761
Greenhouse gas emissions	Total Scope 1 2 emissions	ClimateScope12EmissionsEV	>11 391
Greenhouse gas emissions	Total Scope 1 2 3 emissions	ClimateScope123EmissionsEV	>82 151
Greenhouse gas emissions	GHG intensity of investee companies	ClimateTotalEmissionsIntEUR	>5 979
Greenhouse gas emissions	GHG intensity of investee companies	ClimateScope123EmissionsIntEUR	>25 687
Greenhouse gas emissions	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources	NonRenewableEnergyProduction	Value equals = 1
Greenhouse gas emissions	Energy consumption intensity	EnergyConsumptionIntensity	>57
Greenhouse gas emissions	Companies active in the fossil fuel sector	FossilFuelInvolvementPAI	Fossil fuel involvement = true AND negative biodiversity impacts = true AND companies without carbon emission reductions = true
Biodiversity	Activities negatively affecting biodiversity-sensitive areas	CompWOCarbonEmissionReduct	Fossil fuel involvement = true AND negative biodiversity impacts = true AND companies without carbon emission reductions = true

Greenhouse gas emissions	Companies without carbon emission reduction initiatives	CompWOCarbonEmissionReduct	Fossil fuel involvement = true AND negative biodiversity impacts = true AND companies without carbon emission reductions = true
Water	Emissions to water	CRCODEmissionsEvic	> 10
Waste	Hazardous waste and radioactive waste ratio	CRHazardousWasteEvic	>3 967
Social and employee matters	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Enhanced Sustainability Standards	UNGC Violation = true AND Lack processes for monitoring UNGC/OECD guidelines =true
Social and employee matters	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	LackProcessesUNGCOECDG uidelines	UNGC Violation = true AND Lack processes for monitoring UNGC/OECD guidelines =true
Social and employee matters	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	InvolvInContrWeapons	Involvement = True
Social and employee matters	Board gender diversity	RatioOfWomenOnBoard	Zero women on board = true AND lacks human right policy = ture AND lacks whistleblower protection =true
Social and employee matters	Lack of a human rights policy	LackHumanRightsPolicy	Zero women on board = true AND lacks human right policy = ture AND lacks whistleblower protection =true
Social and employee matters	Insufficient whistleblower protection	InsWhistleBlowerProtection	Zero women on board = true AND lacks human right policy = ture AND lacks whistleblower protection =true

For alignment with OECD Guidelines for Multinational Enterprises, the fund excludes issuers with conduct or activities deemed harmful to society. This exclusion is based on the enhanced sustainability standard screening model developed by Danske Bank A/S. The model, among others screens for issuers' adherence to OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. Issuers that are assessed to act in breach of conventions in accordance with the criteria of the Enhanced Sustainability Standards screening (see "Methodologies" section below) are not investable by the fund.

SUSTAINABLE INVESTMENT OBJECTIVE OF THE FINANCIAL PRODUCT

The fund has the sustainable investment objective of reducing carbon emissions and by that contribute to the transition to a lower-carbon economy in alignment with the long-term ambitions of the Paris Agreement. The fund does not have as its sustainable investment objective to contribute to environmental objectives covered by the EU Taxonomy.

The fund applies a designated reference benchmark, MSCI Europe Climate Change Index, for the attainment of its sustainable investment objective. MSCI Europe Climate Change Index qualifies as an EU Climate Transition Benchmark under Title III, Chapter 3a, of Regulation (EU) 2016/1011 (EU Benchmark Regulation) with the methodology available at MSCI Climate Change Indexes Methodology (see link in last section below).

As an integral part of attaining its sustainable investment objective:

1. The fund promotes 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 promotes environmental safeguards through the exclusion of certain activities deemed to have significant negative climate impact.
3. The fund promotes certain ethical and social safeguards through the exclusion of certain activities deemed to be non-ethical or controversial.

4. The fund considers, addresses and reports on principal adverse impacts.
5. The fund seeks to influence issuers' impact on sustainability matters through engagement
6. The fund seeks to influence issuers' impact on sustainability matters through having voting on material sustainability topics

The fund's own exclusions supplement, and to some extent overlap, those applied for the designated reference benchmark. For further information on exclusions applied by the benchmark, please refer to the methodology paper for MSCI Climate Change Indexes Methodology.

INVESTMENT STRATEGY

Investment strategy

You can read more about the fund's investment strategy in the fund's Key Information Document (KID) or in the prospectus. Both are available here:

<https://documents.danskeinvest.com/fund/DK0060607570>

The fund applies a passive investment strategy to attain its sustainable investment objective with MSCI Europe Climate Change Index as its designated reference benchmark.

The investment strategy is further focused on limiting the negative externalities (principal adverse impacts) of the fund's investments by the integration of the fund's additional exclusions. The fund engages as part of its investment strategy with issuers on material sustainability topics and vote on environmental and/or social proposals in accordance with the active ownership policy of Danske Invest Management A/S.

The fund seeks to provide investment results that correspond generally to the total performance of the benchmark through continuous use of systematic and disciplined investment processes. Further, the exclusions, active ownership and good governance considerations are integrated in the investment strategy on a continuous basis through a commitment to systematically identify and address sustainability factors embedded in the investment and/or investment selection process. Should an investment no longer meet the sustainable investment eligibility criteria for the fund's portfolio, it will be divested as soon as practicably possible. The extent to which sustainable investment objective and/or environmental and/or social characteristics are attained is monitored on a regular basis and is reported in the fund's annual report.

Policies to assess good governance

The Responsible Investment Policy and Active Ownership Policy of Danske Invest Management A/S as supplemented by the fund's exclusions provide the basis for assessing the issuers, as investee companies, good governance practices. According to this framework, issuers are excluded pursuant to the enhanced sustainability standards screening if issuers are not aligned with UN Global Compact, OECD and ILO principles on good governance (see more information in the "Methodologies" section below). In respect to good governance, the screening applies a supplementing test considering if investee companies meet defined thresholds for prudent management structures, employee matters, remuneration of employees and tax matters. A failure to meet at least half of the thresholds is considered an indicator of a company not meeting good governance practices. Such companies are thus excluded from the fund according to the enhanced screening.

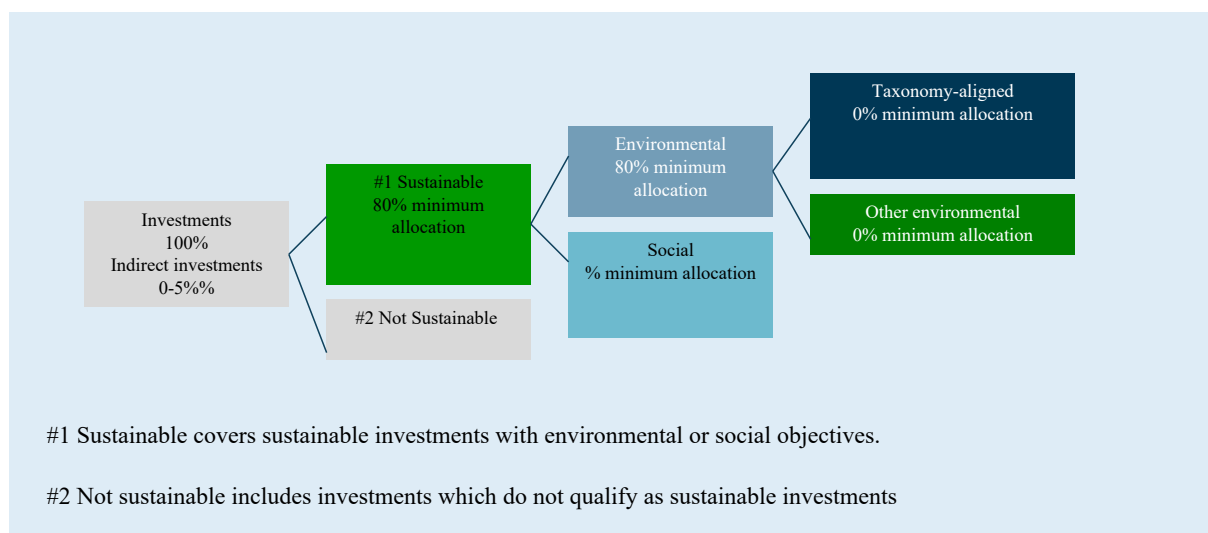
For the management of the fund's investments, the fund further seeks to be an active owner and to influence issuers directly through dialogue, voting and collaboration with peers, like-minded investors and stakeholders including on matters pertaining to good governance. For voting, the fund's Voting Guidelines is used as the default position, but investment teams are allowed to deviate based on case-by-case analyses. Voting must always be carried out to the benefit of investors to avoid any conflict of interest.

PROPORTION OF INVESTMENTS

The fund invests in sustainable investments that contribute to the sustainable investment objective of the fund to reduce carbon emissions in line with the long-term ambitions of the Paris Agreement.

As the fund reserves the right to making other investments in cash and derivatives, the expected minimum share of sustainable investments in the fund is 80%. The fund's sustainable investments consist of sustainable investments with an environmental objective, with no minimum allocation to sustainable investments in support of a social objective. Further, the fund has no minimum commitment to invest in environmentally sustainable economic activities as defined under the EU Taxonomy.

The minimum allocations are subject to sector specific rules, which under specific circumstances might impose the fund to exceed the 20% bucket of non – sustainable investments to allow for redemptions. The minimum allocations are calculated by use of a weighted calculation against the total market value of the fund's investments. For how exposures are attained through indirect investments, please refer to the chart below. "Indirect investments" captures exposures in issuers other than direct exposures. The average levels of allocations are reported in the fund's annual report.



MONITORING OF THE SUSTAINABLE INVESTMENT OBJECTIVE

A number of processes are in place to monitor the attainment of the sustainable investment objective and thereto integrated environmental and/or social characteristics of the fund:

System monitoring through compliance engines:

The fund is screened daily and automatically through compliance engines in Danske Bank A/S to ensure that the sustainable investment thresholds, inclusion commitments and applicable exclusions are adhered to.

The Responsible Investment team in Danske Bank is responsible for maintaining exclusion lists that set out the issuers that the fund is not permitted to hold. As the exclusion lists are integrated into trading and compliance systems, it is automatically detected whether a fund is holding a security that it, in accordance with the prospectus/investment guidelines is not permitted to hold.

Monitoring by investment teams:

The investment team managing the fund has access to a wide selection of ESG data and research through Danske Bank A/S' ESG Data Platform that the teams uses on an ongoing basis to assess new investments and monitor the underlying investments' performance and management of the relevant sustainability indicators of the fund. Further information on the ESG Data Platform may be found under "Data Sources and Processing".

Monitoring by Danske Bank's Investment Risk team:

Through spot-checking and detailed analyses of selected funds and sustainable investment objectives/characteristics, Danske Bank's Investment Risk team can challenge and monitor the extent to which the sustainable investment objective is attained.

More specifically, the team is responsible for a monitoring overlay and mandated to challenge investment teams on not only the financial performance of the funds, but also performance relating to sustainability-dimensions.

METHODOLOGIES

The attainment of the sustainable investments objective of the fund is measured through usage of the following indicators:

1. The reduction of greenhouse gas (GHG) emitted from the portfolio compared to the designated index (see "Attainment of the Sustainable Investment Objective" below).
2. The percentage of investments in the fund with activities and conduct deemed harmful to society as determined through as enhanced internal screening and the number of investments excluded on basis of this screening.
3. The percentage of investments in the fund with activities deemed to have significant negative climate impacts as determined through exclusions for thermal coal (5% revenue), tar sands (5% revenue), peat fired power generation (5% revenue), fossil fuels (5% revenue) and the number of investments excluded as a result of these exclusions.
4. The percentage of investments with non-ethical or controversial activities as determined through exclusions for controversial weapons (0% revenue), tobacco (5% revenue), alcohol (5% revenue), gambling (5% revenue), pornography (1% revenue), Statens Pensjonsfund Utland ("SPU") and the number of investments excluded as a result of these exclusions.
5. The performance of the fund against the principal adverse impact indicators relevant to the asset classes of the fund as outlined in the Principal Adverse Impact Statement of Danske Invest Management A/S.
6. The number of engagement activities of the fund.
7. The number of voting activities of the fund.

In terms of the specific methodologies underlying relevant indicators see the below:

Exclusions:

The exclusions applied by the fund supplement, and to some extent overlap, those integrated into the benchmark construction as outlined in the benchmark methodology paper (see link below).

All exclusions of the fund are defined by specific criteria and definitions set out in the Exclusion Instruction of Danske Bank A/S which also applies to funds under management of Danske Invest Management A/S.

For the enhanced sustainability standards screening capturing conduct and activities harmful to society further reference is made to the methodology descriptions in the document "Enhanced Sustainability Standards Screening".

All documents are available under: <https://danskebank.com/sustainability-related-disclosures>.

DATA SOURCES AND PROCESSING

Investment teams have access to proprietary data points and models that have been constructed internally. Our proprietary models use multiple third-party sources as inputs in order to reduce single-vendor methodology biases. It allows investment teams to get a more nuanced and complete picture of issuers, as one can drill-down and understand why different data sources have opposing views of a given issuer's sustainability performance.

Separately, we source an extensive amount of third-party sustainability data and ratings to have a second opinion on issuers. For many data points/ratings, we source "the same" data point from multiple vendors in order to ensure comparability and evaluate data quality on an ongoing basis. A lot of data is still estimated, hence we find it important to have access to multiple sources. Given the amount of sustainability data points that are factored in, it is not possible to give one clear answer to the proportion of data that is estimated as it varies significantly between data points. Some data, e.g. from CDP, is based fully on company disclosure whereas data points such as e.g. Scope 3 emissions, are based heavily on extensive estimations. Overall, we would argue that most of the data is based on estimations or model assumptions.

In terms of overall data availability, we source data according to a key principle we refer to as "completeness". With completeness we aim to have a data shelf that: to the largest extent possible, covers sustainability data according to our double-materiality focus (ensuring that we have data covering both financial materiality sustainability topics as well as non-financial risks to the environment/societies) as well as having data of relevance for all investment teams (ensuring that we e.g. do not only source sustainability data on issuers if we have investment strategies investing in governments).

To ensure data quality, subject-matter experts are responsible for evaluating any data set that is onboarded. The standard process for reviewing a data set involves: deep-dives into the data set, drilling down in individual company assessments, benchmarking the data output against other sources/vendors, as well as having calls with the methodology owners behind the given data point(s) being evaluated. If satisfied with the data, data is onboarded and stress-tested on an ongoing basis.

The ESG data points, which the Danske Bank investment teams have available through our ESG Data Platform can be found in the document 'ESG Data Platform' available under <https://danskebank.com/sustainability-related-disclosures>.

LIMITATIONS TO METHODOLOGIES AND DATA

There are vast amounts of sustainability data available to the management and monitoring of the fund, but the data landscape is characterized by a lack of consistent methodologies and limited transparency on how scores, indicators ratings are calculated for issuers. These limitations in data are due to a number of factors, not in the least being that they, in part, are a reflection of how sustainability data is produced.

As corporate sustainability disclosures for the time being remain largely voluntary, far from all issuers issue reports covering their management or approach to addressing the sustainability-related aspects of their activities. Moreover, there is a lack of consensus on the scope and format of reporting and as such, issuers that do report do not disclose information in a standardised or easily comparable format. This creates, in certain instances, limitations in relations to the attainment of the sustainable investment objective and/or integrated environmental or social characteristics of the fund. Furthermore, in a bid to support investors in their assessment of issuers, a growing body of ESG data and rating agencies have emerged with their own proprietary scopes and methodologies, which in turn do not allow for comparisons to be made on environmental and/or social issues. In addition, issues emerge across regions and asset classes, small cap and emerging markets in particular, with regards to comprehensive coverage and the availability of quality data.

Various measures are taken to ensure that the attainment of the sustainable investment objective and/or environmental and/or social characteristics are not affected by these known limitations. In recognition of the lack of consensus and standardisation, Danske Bank's ESG Data Platform consists of credible sources that are assessed to provide relevant information on the material sustainability-related aspects of an investment. Nonetheless, as methodologies vary across the chosen vendors, information is, where relevant and necessary, validated by the investment teams through the review of corporate reports and engagement with the issuers. Finally, to address the risk that arises from metrics being based on model rather than reported data, indicators that are used for the attainment of the sustainable investment objective and/or environmental and/or social characteristics, and are, to the extent possible, validated

through our model validation framework.

DUE DILIGENCE

The investment teams review financial and sustainability information from multiple data sources (including but not limited to company reports and third-party investment research). Tools, knowledge, research, education and subject-matter expertise are provided to the investment team to support the due diligence processes. The strength of this bottom-up approach is a solid foundation of data, tools and resources that enables the investment teams to conduct due diligence and attain the sustainable investment objective of the fund. Other ESG data is also integrated into these trading platforms to seamlessly integrate ESG data in portfolio managers' regular work-flows/security views.

Finally, top-down screening is used as a tool to identify issuers on exclusion lists of the fund.

ENGAGEMENT POLICIES

The Active Ownership Policy of Danske Invest Management A/S with underlying guidelines provide the framework for engagement activities on investments in the fund.

Sustainability-related controversies in investee companies and/or bad performance on principal adverse impact indicators can be managed by individual investment teams or through engagement conducted by the Active Ownership team of Danske Bank A/S. If engagement on these aspects is unsuccessful, the investment team can decide to escalate the engagement, or decide to either hold/maintain weighting, decrease weighting, or sell/divest and/or the Active Ownership team can decide to bring forward a recommendation to have the issuer generally excluded under the enhanced sustainability standard screening. Such decision is subject to approval by the Responsible Investment team of Danske Bank A/S.

For more information see:

https://www.danskeinvest.dk/page/ansvarlige_investeringer_oplysninger

ATTAINMENT OF THE SUSTAINABLE INVESTMENT OBJECTIVE

The fund applies MSCI Europe Climate Change Index as its designated reference benchmark to meet its sustainable investment objective. The fund's investment strategy resembles the methodology of the reference benchmark by passively tracking that index.

The reference benchmark meets the criteria of a Climate Transition Benchmark under the EU Benchmark Regulation and weights constituents from the applicable universe in accordance with principles set-out therein. From its eligible investment universe, the reference benchmark excludes issuers that do not meet the exclusion criteria applied for the benchmark.

The designated reference benchmark differs from a relevant broad market index through its objective of reducing exposures to transition and physical climate risks and support the transition to a lower carbon economy while aligning with the Paris Agreement requirements.

The methodology (MSCI Climate Changes Indexes Methodology) used for the calculation of the designated index can be found at:

<https://www.msci.com/our-solutions/indexes/index-profile-tool/>

CHANGE LOG

In September 2023, the versioning of the website disclosures were adjusted for technical reasons. The versioning preset the file versions of the existing disclosures back to v.1 with sequential numbering counting from v.1. For a log on former versions leading to that date please contact Danske Invest Management A/S.

Versions

26.01.2024 08:55, version 1: Other/multiple changes