

ANNEX IV

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

Product name: Nordea 1 - Stable Return Fund

Legal entity identifier: 549300J9YLZQT0W3Z531

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 **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 **sustainable investments with a social objective:** ____%

☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 63 % 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?

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

The E/S characteristics promoted could have been environmental and/or social and included the following features:

Minimum proportion of sustainable investments The fund promoted E/S characteristics by partially investing in companies and issuers involved in activities that contributed to an environmental or social objective as outlined in UN Sustainable Development Goals (SDGs) and/or the EU Taxonomy, while not significantly harming any other environmental or social objectives and following good governance practices.

Sector- and value-based exclusions The fund promoted E/S characteristics by excluding companies that were deemed to be inappropriate based on their business activities or corporate behaviour.

Nordea Asset Management's Paris-Aligned Fossil Fuel Policy The fund promoted E/S characteristics by refraining from investing in companies that had significant exposure to fossil fuels unless they had a credible transition strategy.

There was no reference benchmark designated for the purpose of attaining the E/S characteristics of the fund.

● How did the sustainability indicators perform?

Sustainability Indicator	Metric	Metric Value	Eligibility	Coverage
% of sustainable investments	% of sustainable investments	63.20 %	94.29 %	94.29 %
% of investments, aligned with the E/S characteristics, that do not comply with sector- and value based exclusions	% of investments, aligned with the E/S characteristics, that do not comply with sector- and value based exclusions	0.00 %	94.32 %	94.32 %
% of investments, aligned with the E/S characteristics, that do not comply with NAM's Paris-Aligned Fossil Fuel Policy	% of investments, aligned with the E/S characteristics, that do not comply with NAM's Paris-Aligned Fossil Fuel Policy	0.00 %	94.32 %	94.32 %

Eligibility: The proportion of the assets in the financial product (relative to NAV), which are in scope for the indicator.

Coverage: The proportion of the assets in the financial product (relative to NAV), where data is available to present the indicator.

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

Sustainability Indicator	Metric	Reference Period	Metric Value	Eligibility	Coverage
% of sustainable investments	% of sustainable investments	2024	63.20 %	94.29 %	94.29 %
		2023	N/A	N/A	N/A
		2022	N/A	N/A	N/A
% of investments, aligned with the E/S characteristics, that do not comply with sector- and value based exclusions	% of investments, aligned with the E/S characteristics, that do not comply with sector- and value based exclusions	2024	0.00 %	94.32 %	94.32 %
		2023	N/A	N/A	N/A
		2022	N/A	N/A	N/A
% of investments, aligned with the E/S characteristics, that do not comply with NAM's Paris-Aligned Fossil Fuel Policy	% of investments, aligned with the E/S characteristics, that do not comply with NAM's Paris-Aligned Fossil Fuel Policy	2024	0.00 %	94.32 %	94.32 %
		2023	N/A	N/A	N/A
		2022	N/A	N/A	N/A

Eligibility: The proportion of the assets in the financial product (relative to NAV), which are in scope for the indicator.

Coverage: The proportion of the assets in the financial product (relative to NAV), where data is available to present the indicator.

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

The objective of the sustainable investments that the fund partially made, was to contribute to one or several of the UN SDGs or alternatively be involved in Taxonomy-aligned activities. Sustainable investments contributed to the objectives through the fund's investments in companies where a minimum of 20% of their activity could be linked to economic activities supporting an environmentally-sustainable objective defined in the EU Taxonomy, or an environmental or social objective belonging to the list of UN SDGs.

The UN SDGs are a set of 17 Sustainable Development Goals adopted by the United Nations in 2015 as a call for action to end poverty, protect the planet, and ensure peace and prosperity by 2030.

The EU Taxonomy provides a framework for assessment of environmentally sustainable economic activities and lists economic activities that are considered environmentally sustainable in the context of the European Green Deal.

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, anticorruption and antibribery matters.

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

As part of the process to identify sustainable investments, companies were screened to ensure that they did not significantly harm (DNSH test) any other social or environmental objectives. The DNSH test used PAI indicators, as described below, to identify and exclude companies that do not pass the thresholds.

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

The DNSH test, as part of the methodology to identify sustainable investments, identified negative outliers and poor performance related to PAI indicators. The investment manager considered the PAI indicators from Table 1, annex 1 in the SFDR RTS. In the reporting period, data was mainly available for the use of the below indicators.

Climate and other environment related indicators:

- Greenhouse Gas emissions
- Biodiversity impact
- Emissions to water
- Hazardous waste

Indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters:

- Violations of the UNGC and OECD principles
- Board gender diversity
- Exposure to controversial weapons
- Severe human rights issues and incidents

Companies that did not pass the thresholds that were defined by the investment manager, did not qualify as a sustainable investment. This included companies that were involved in severe human rights incidents, severe controversies related to biodiversity or violations of the UNGC and OECD principles.

Companies also failed the DNSH test if they were among the worst performers on emissions to water, hazardous waste or Greenhouse Gas emissions. In addition, companies that derived more than 0% of revenue from unconventional fossil fuel failed the DNSH test, and companies that derived more than 5% from conventional fossil fuel or more than 50% from services specific to the fossil fuel industry only passed the DNSH test if they were below the climate related exclusions criteria of the EU Paris Aligned Benchmark with revenue thresholds of 1% for coal, 10% for oil, 50% for natural gas and 50% for fossil fuel based electricity generation, and had a climate transition plan. Our Paris Aligned Fossil Fuel Policy describes the criteria used to identify companies with credible transition plans.

Additional exclusions to further limit negative externalities were applied to the investment universe of the fund, to avoid investment in companies that were involved in thermal coal or production of fossil fuels from oil sands and arctic drilling, as well as controversial weapons, and pornography.

The data on PAI indicators needed for the DNSH test was sourced from third party data providers.

- Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Alignment of the sustainable investments with the OECD guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights was confirmed as part of the process to identify sustainable investments using the Violations of the UNGC and OECD principles indicator.

The EU Taxonomy sets out a “do no significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this fund do not take into account the EU 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 specific PAI indicators that were taken into consideration for this fund were:

CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS

Adverse Sustainability Indicator		Metric	Metric Value	Eligibility	Coverage
Greenhouse gas "GHG" emissions	GHG emissions	Scope 1 GHG emissions	48,628 tCO2e	91.86 %	91.66 %
		Scope 2 GHG emissions	20,244 tCO2e	91.86 %	91.66 %
		Scope 3 GHG emissions	437,478 tCO2e	91.86 %	91.66 %
		Total GHG emissions Scope 1+2	68,891 tCO2e	91.86 %	91.66 %
		Total GHG emissions Scope 1+2+3	506,369 tCO2e	91.86 %	91.66 %
	Carbon footprint	Carbon footprint Scope 1+2	18 tCO2e / m€ invested	91.86 %	91.66 %
		Carbon footprint Scope 1+2+3	135 tCO2e / m€ invested	91.86 %	91.66 %
	GHG intensity of investee companies	GHG intensity of investee companies	79 tCO2e / m€ of owned revenue	91.86 %	91.86 %
		GHG intensity of investee companies Scope 1+2+3	473 tCO2e / m€ of owned revenue	91.86 %	91.86 %
	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	2.88 % investments in fossil fuels	91.86 %	91.48 %
	Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources	56.56 % non-renewable energy consumption	91.86 %	84.56 %
			54.87 % non-renewable energy production	91.86 %	2.49 %

CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS

Adverse Sustainability Indicator	Metric	Metric Value	Eligibility	Coverage
Greenhouse gas "GHG" emissions	Energy consumption intensity per high impact climate sector	Agriculture forestry and fishing (A)	0.00 GWh / m€ of revenue	0.00 %
		Mining and quarrying (B)	0.00 GWh / m€ of revenue	0.00 %
		Manufacturing (C)	0.26 GWh / m€ of revenue	28.39 %
		Electricity gas steam and air conditioning supply (D)	3.78 GWh / m€ of revenue	2.76 %
		Water supply sewerage waste management and remediation activities (E)	0.54 GWh / m€ of revenue	0.71 %
		Construction (F)	0.15 GWh / m€ of revenue	1.18 %
		Wholesale and retail trade repair of motor vehicles and motorcycles (G)	0.07 GWh / m€ of revenue	7.57 %
		Transportation and storage (H)	0.00 GWh / m€ of revenue	0.21 %
		Real estate activities (L)	0.00 GWh / m€ of revenue	0.00 %
Biodiversity	Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas	2.80 % with negative impact	91.86 %
Water	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.01 tons / m€ invested	91.86 %
Waste	Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	0.48 tons / m€ invested	91.86 %

SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS

Adverse Sustainability Indicator		Metric	Metric Value	Eligibility	Coverage
Social and employee matters	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	2.71 % involved in violations	91.86 %	91.75 %
	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	0.08 % without policies	91.86 %	91.37 %
	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	8.18 % pay gap	91.86 %	53.26 %
	Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	36.26 % (female directors / total directors)	91.86 %	90.18 %
	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 % involvement	91.86 %	90.66 %

INDICATORS APPLICABLE TO INVESTMENTS IN SOVEREIGNS AND SUPRANATIONAL

Adverse Sustainability Indicator		Metric	Metric Value	Eligibility	Coverage
Environmental	GHG Intensity for sovereigns	GHG intensity of investee countries	343.52 tCO2e / m€ of GDP	2.46 %	2.46 %
Social	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 investee countries subject to violations	2.46 %	2.28 %
			0.00 % investee countries subject to violations	2.46 %	2.28 %
Governance	Non-cooperative tax jurisdictions	Investments in jurisdictions on the EU list of non-cooperative jurisdictions for tax purposes	0.00 % investee countries subject to violations	2.46 %	2.46 %

Eligibility: The proportion of the assets in the financial product (relative to NAV), which are in scope for the indicator.

Coverage: The proportion of the assets in the financial product (relative to NAV), where data is available to present the indicator.



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 2024 -
31 December 2024

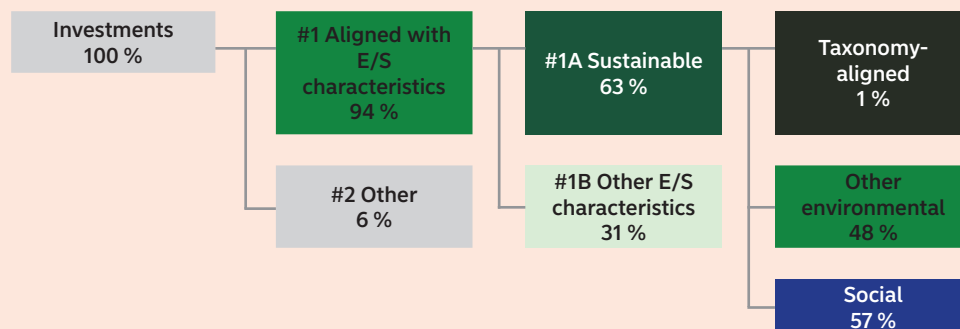
Largest investments	Sector	Assets	Country
Alphabet	Communications	4.44 %	United States
Microsoft	Technology	4.02 %	United States
Automatic Data Processing	Consumer, Non-cyclical	2.55 %	United States
Novo Nordisk B	Consumer, Non-cyclical	2.25 %	Denmark
Coca-Cola	Consumer, Non-cyclical	2.17 %	United States
Visa	Financial	2.16 %	United States
Johnson & Johnson	Consumer, Non-cyclical	1.99 %	United States
PepsiCo	Consumer, Non-cyclical	1.74 %	United States
AutoZone	Consumer, Cyclical	1.70 %	United States
Fortinet	Technology	1.66 %	United States
Mastercard	Financial	1.61 %	United States
Starbucks	Consumer, Cyclical	1.56 %	United States
Accenture	Technology	1.55 %	Ireland
Monster Beverage	Consumer, Non-cyclical	1.49 %	United States
NIKE	Consumer, Cyclical	1.48 %	United States



What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



#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 environmentally and socially sustainable investments.
- 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 product contains investments with both an environmental and a social objective. A single investment can both contribute to an environmental and a social objective resulting in a total allocation amounting to more than 100 per cent. There is no prioritisation of environmental and social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these categories. The investment process accommodates the combination of environmental and social objectives by allowing the investment manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities.

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

Sector	Sub Sector	Assets
Basic Materials	Chemicals	0.58 %
Cash	Cash	5.88 %
Communications	Advertising	0.03 %
Communications	Internet	8.28 %
Communications	Media	1.14 %
Communications	Telecommunications	4.19 %
Consumer, Cyclical	Apparel	2.04 %
Consumer, Cyclical	Auto Parts&Equipment	0.08 %
Consumer, Cyclical	Distribution/Wholesale	0.64 %
Consumer, Cyclical	Home Furnishings	0.06 %
Consumer, Cyclical	Retail	7.79 %
Consumer, Non-cyclical	Beverages	6.75 %
Consumer, Non-cyclical	Biotechnology	0.07 %
Consumer, Non-cyclical	Commercial Services	3.85 %
Consumer, Non-cyclical	Cosmetics/Personal Care	3.08 %
Consumer, Non-cyclical	Food	3.82 %
Consumer, Non-cyclical	Healthcare-Products	1.24 %
Consumer, Non-cyclical	Healthcare-Services	4.61 %
Consumer, Non-cyclical	Household Products/Wares	0.93 %
Consumer, Non-cyclical	Pharmaceuticals	8.50 %
Derivatives	Derivatives	0.00 %
Energy	Energy-Alternate Sources	0.09 %
Financial	Banks	1.93 %
Financial	Diversified Finan Serv	5.14 %
Financial	Insurance	2.78 %
Financial	Investment Companies	0.06 %
Financial	Real Estate	0.07 %
FX Forwards	FX Forwards	-0.21 %
Government bonds	Sovereign	2.54 %
Industrial	Electrical Compo&Equip	0.33 %
Industrial	Electronics	0.55 %
Industrial	Engineering&Construction	1.11 %
Industrial	Environmental Control	0.66 %
Industrial	Machinery-Diversified	0.46 %
Industrial	Packaging&Containers	0.01 %
Industrial	Transportation	0.31 %
Technology	Computers	4.12 %
Technology	Semiconductors	2.61 %
Technology	Software	11.06 %
Utilities	Electric	2.76 %
Utilities	Water	0.05 %
Sum		100.00 %



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

● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?

☒ Yes:

☐ In fossil gas

☒ In nuclear energy

☐ No

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.

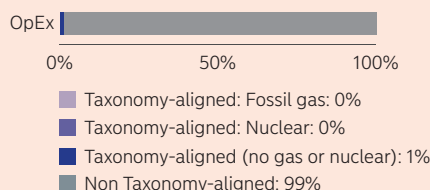
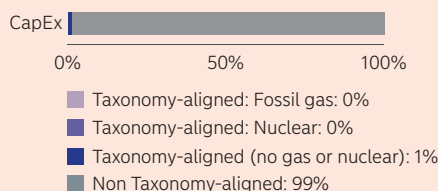
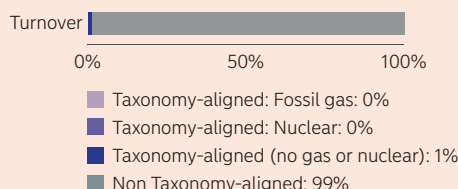
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

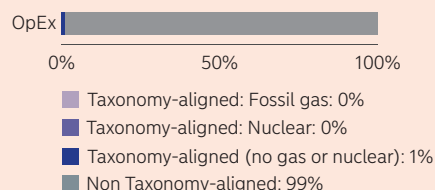
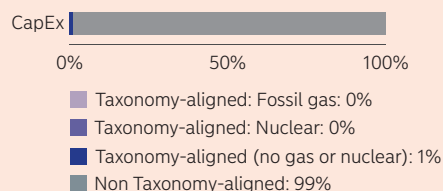
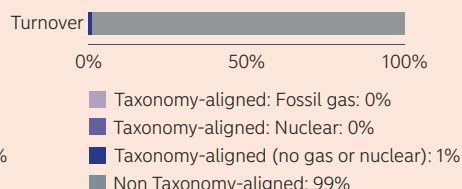
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities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

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

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 significant harm to 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.

There is no data available for the reporting period to confirm that the financial product invested in any fossil fuel gas and/or nuclear energy related activities that comply with the EU Taxonomy.

Assessment on Taxonomy alignment is currently conducted with data from third party providers as well as self-reported data from investee companies when available. Proprietary tools and processes to measure significant harm and minimum social safeguards have been developed.

The methodology applied by the third-party data providers assesses how companies are involved in economic activities that substantially contribute to an environmental objective while not significantly harming other sustainable objectives and meeting minimum social safeguards. Taxonomy-alignment of the investment is based on the percentage of turnover exposed or potentially exposed to taxonomy-aligned activities. Data providers' methodologies vary and results may not be fully aligned as long as publicly reported company data is still lacking and assessments rely largely on equivalent data.

We prioritise the use of self-reported data where available. Where data providers are used to deliver equivalent data, NAM has conducted due diligence on the data provider's methodology. Out of caution, unless we are able to confirm available data for the majority of the portfolio's holdings, we will report 0 (zero) per cent of Taxonomy-Aligned Investments.

The compliance of the investments with the EU Taxonomy has not been subject to an assurance by auditors or a review by third parties. Data provider methodologies vary and results may not be fully aligned as long as publicly reported data is still lacking.

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

Type of Activity	Assets
Transitional activities	0.01 %
Enabling activities	0.52 %
Sum	0.53 %

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

Reference Period	Taxonomy-Aligned Investments
2024	1.42 %
2023	0.00 %
2022	0.00 %



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



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

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 48 %.



What was the share of socially sustainable investments?

The share of socially sustainable investments was 57 %.



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

Cash may have been held as ancillary liquidity or for risk balancing purposes. The fund may have used derivatives and other techniques for the purposes described in the “Fund Descriptions” in the prospectus. This category may also have included securities for which relevant data is not available. Minimum environmental or social safeguards were not applicable.



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

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this fund have been monitored and documented on an ongoing basis.



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

Not applicable.

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