

Nordea

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Impact report

Nordea 1 – European Stars Equity Fund

Q4 2020



* investing for their own account – according to MiFID definition



The Sustainability footprint of 100,000 EUR invested in Nordea 1 – European Stars Equity Fund

LU1706106447 (BP-EUR) / LU1706108732 (BI-EUR)

Fund Illustrative Benchmark: NASDAQ European Large Cap Index

Water usage

1622 Cubic Meters

Most of your savings are invested in companies that reduce their water consumption wherever possible.

1.3

The equivalent of the water used from 1.3 households

1622
+191 1813

191 m³ less than illustrative benchmark

Waste generation

403 Kilograms

Most of your savings are invested in companies that are conscious in their resource consumption and are also producing less waste.

40

Equal to approx. 40 waste bags

403
+277 680

277 kg less than illustrative benchmark

Social criteria

Companies that take good care of their employees' health and safety, as well as strengthen diversity and inclusion, are represented in your portfolio.

+ Health & Safety Pioneers	0.6%
	0.4%
+ Diversity & inclusion pioneers	16.4%
	11.1%

CO₂-emissions*

8050 Kilograms

Most of your savings are invested in companies that reduce their CO₂ emissions and produce sustainable alternatives.

5.3

The equivalent of annual CO₂ emissions from 5.3 cars

8050
+8150 16200

8.15 tonnes less than illustrative benchmark

* Measured as CO₂ equivalent greenhouse gas emissions

Underground oil, gas and coal reserves

0 Tonnes of CO₂e

None of the companies in your portfolio own fossil fuel reserves, neither oil, coal or gas.

625

Equal to 625 Copenhagen-Bangkok flights

0
+467 467

467 tonnes less than illustrative benchmark

Governance criteria

You avoid investing in companies with questionable practices and invest more in companies that stand out positively on business ethics than the benchmark.

- Business ethics violation	0.0%
	4.8%
+ Business ethics pioneers	6.9%
	5.1%

This sustainability footprint overview is prepared by NASDAQ based on analysis of Nordea - 1 European Stars Equity Fund's holdings as of 31/12/2020. The analysis is based the equity investments in the fund and the holdings are compared to the NASDAQ European Large Cap Index. The calculations are based on an example investment of 100,000 EUR, of which ca. 98% is invested in equities. For illustration purposes only. This overview does not constitute investment advice. Please note that the value of investments can go up as well as down and you might not get back the amount originally invested.

Understanding the metrics used

Water usage

Shows how much water the companies in the underlying funds directly use or purchase annually.

This metric is calculated by relating the annual water use (in cubic meters) of the underlying companies to the weight of those companies (equity exposure) in the fund/portfolio and to the size of the invested amount. The comparison with household use is based on average European household water consumption data from Eurostat.

Why do we measure the water usage footprint: The fashion industry is the third largest annual user of water globally after oil and paper, responsible for more than 10% of the water used by all types of industry. Depending on materials and production processes, fashion companies can reduce their water footprint. (Source: Common Objective/WWF)

Waste generation

Shows how much waste the companies in the underlying funds produce annually, that is either incinerated or disposed to landfill.

This metric is calculated by relating the annual waste generation (in tonnes) of the underlying companies to the weight of those companies (equity exposure) in the fund/portfolio as well as the size of the invested amount. The comparison with number of waste bags considers that an average waste bag has 7kg and is based on data sourced from EU and Plast.dk.

Why do we measure the waste generation footprint: With the current pace of plastic waste ending up in the oceans (equal to one garbage truck dumped in the oceans every minute), it's projected that by 2050, the total amount of plastic waste in the oceans will weigh more than all fish, and 99% of seabirds will have ingested plastics. Hence there is an urgent need to limit the waste. (Source: WWF)

Understanding the metrics used

CO2e emissions

Shows annual greenhouse gas emissions produced directly by the companies in the underlying funds and from their consumption of energy (Scope 1+2).

This metric is calculated by relating the annual greenhouse gas emissions (in tonnes, translated into CO2 equivalents) of the underlying companies to the weight of those companies (equity exposure) in the fund/portfolio and to the size of the invested amount. The comparison with the car emissions is based on data from EEA/ICCT on average emissions for new cars sold in EU in 2016.

Why do we measure the CO2e emissions footprint: While it is good to turn lights off to save energy, 20 companies have alone contributed to 35% of all energy-related carbon dioxide and methane worldwide, totalling 480bn tonnes of carbon dioxide equivalents (GtCO2e) since 1965. (Source: The Guardian)

What are Scope 1, 2 and 3 CO2 emissions:

Scope 1 are direct emissions from owned or controlled sources. Scope 2 are indirect emissions from the generation of purchased energy. Scope 3 are all indirect emissions that occur in the value chain of the reporting company, upstream and downstream. For instance, a car manufacturer: The car manufacturer emits CO2e when assembling cars (Scope 1). The manufacturer's suppliers emit CO2e to generate electricity for the manufacturer production of electricity (Scope 2). A rental car provider operates the cars and emits CO2e over the product's lifetime (Scope 3).

Fossil reserves

Shows the future potential CO2e emissions if oil, gas & coal reserves owned by the companies in the underlying funds are extracted from the ground and burned.

This metric is calculated by relating the proven and probable resources of oil, gas and coal that the underlying companies have disclosed, to the weight of those companies (equity exposure) in the fund/portfolio and to the size of the invested amount. Please note that the calculation considers the lifetime CO2e emissions (in tonnes) associated with these reserves. The comparison with number of flights is based on calculations from ICAO.

Why do we measure the fossil reserves footprint: While the business of extracting oil, gas and coal from the ground emits large amounts of CO2, an even larger amount is emitted when the resources are used as fuel. Extraction companies can therefore potentially cause future emissions by extracting reserves.

What are CO2 Equivalents (CO2e):

Different greenhouse gasses that contribute differently to global warming. According to the GHG Protocol, they are all converted into one measure, CO2 equivalents:

Greenhouse gas	CO2 equivalent
Carbon Dioxide	1
Methane	25
Sulphur Hexafluoride	22,8
Nitrus Oxide	298
Per Fluoro Carbons	7850
Hydro Fluoro Carbons	2400

Understanding the metrics used

Business ethics violations

Companies that have violated different ethical guidelines or norms. For example, companies involved in fraud or money laundering are flagged here.

Business ethics pioneers

Companies flagged for a particularly strong preservation of ethical guidelines and/or norms.

Diversity and inclusion pioneers

Companies acknowledged for their work, practices and efforts within diversity and inclusion – both in leadership and in the overall workforce.

Human and labor rights pioneers

Companies acknowledged for their particular focus on the protection and support of human rights and labor rights.

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