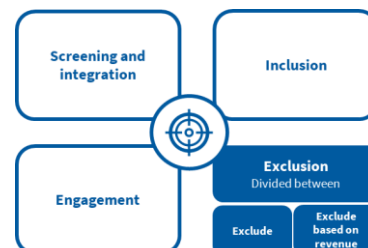


Exclusion criteria and list per December 2023

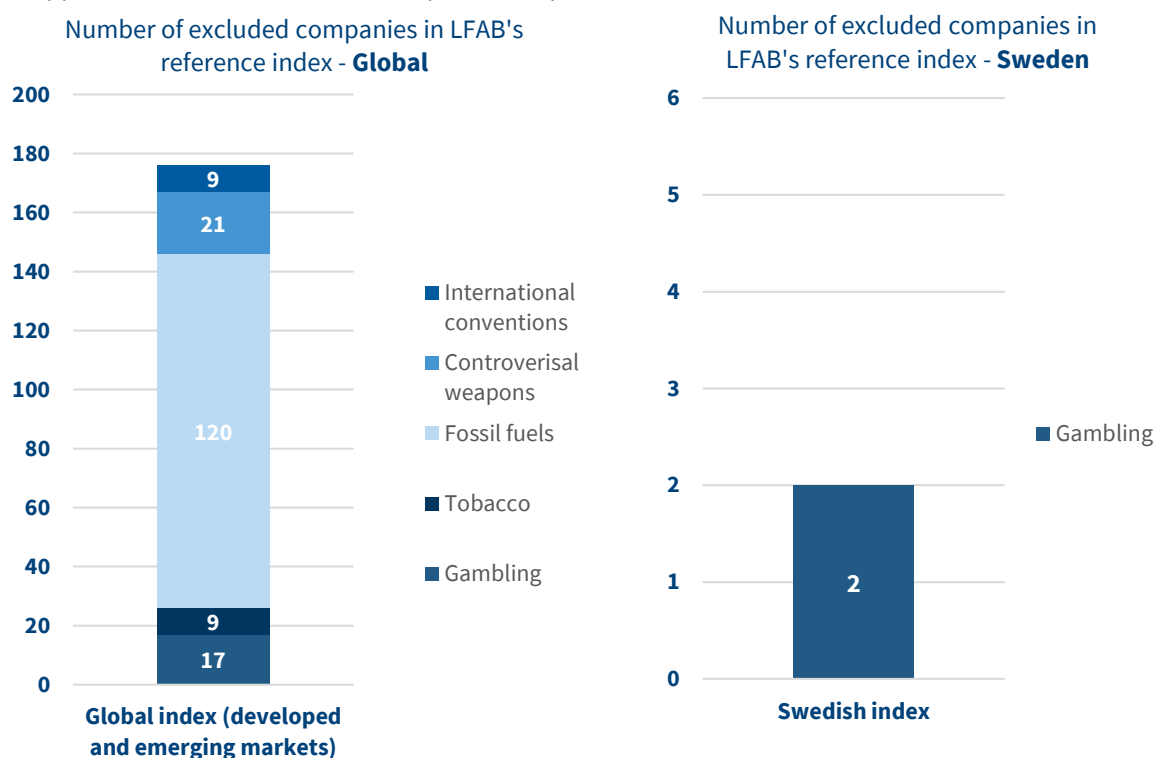
Länsförsäkringar AB (LFAB) applies several responsible investment strategies which ensures that sustainability (also referred to as 'ESG') factors are integrated into the investment process of our own investment portfolios and funds (see figure). The purpose is to improve the long-term return conditions of assets under management while at the same time contribute to a subset of the UN's global sustainability goals and counteract negative consequences for sustainable development.



One of the strategies is named **exclusion**. It involves the application of sustainability-related exclusion criteria in the investment process. The developed criteria should be viewed as the prioritized principal adverse impacts on sustainability factors that the investment process consider. These criteria are applied by **Länsförsäkringar Liv's Asset Management** (Kapitalförvaltningen) and **Länsförsäkringar Mutual Fund Company** (Fondförvaltningen), both part of Länsförsäkringar AB, to direct investments in listed equities and corporate bonds, as well as in government bonds¹. The assets, to which these criteria apply, are linked to Länsförsäkringar AB's funds as well as its life and non-life insurance portfolios.

Exclusion criteria and number of excluded companies within chosen indices²

The applied exclusion criteria and its impact on respective reference index are outlined below.










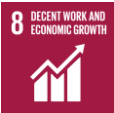

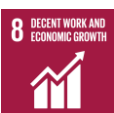


A responsible investment strategy that is applied in parallel to exclusion is **engagement**. As active owners we engage with companies that breach, or are at risk of breaching, applied exclusion criteria. Through these dialogues we aim to articulate expectations, influence change of practice and inform the investment analysis. LFAB also strives to influence external asset managers' approach to responsible investments. We exert our influence in the selection processes. The aim is to collaborate with sustainability focused external managers.

¹ Exclusion criteria are also applied by Länsförsäkringar Liv's Asset Management for new investments in illiquid funds (typically named private equity and private lending funds).

² Companies outside of LFAB's reference indices are also screened against LFAB's exclusion criteria, see page 2.

Scope of exclusion criteria

The table presents applied ESG exclusion criteria for companies, states and jurisdictions. The criteria are either binary (no revenues permitted) or designed with a revenue share threshold. The table also presents how companies, through its operations and economic activities meet the criteria, in turn have adverse impacts on sustainability and counteract a subset of the UN Sustainable Development Goals (SDGs).

Focus of exclusion criteria	Type of criteria and threshold ³ for exclusion	Counteracts SDG(s) number:
Controversial weapons	Exclude (no revenue share threshold applied)	
Controversies and violations of principles for responsible business conduct (UN Global Compact and OECD Guidelines)	Exclude (no revenue share threshold applied)	 Linkages to individual SDG varies
Fossil fuels (thermal coal, oil and gas)	Avoid, revenue share threshold: <ul style="list-style-type: none"> Extraction and energy production thermal coal >5% Unconventional extraction of oil and gas >5% Exploration and conventional extraction of oil and gas >5% 	  
Gambling (online gambling and land-based gambling such as casinos)	Avoid, revenue share threshold: <ul style="list-style-type: none"> Online gambling >5% Land-based gambling >5% 	
Pornography (production of pornographic material)	Exclude (no revenue share threshold applied)	 
Tobacco	Avoid, revenue share threshold: <ul style="list-style-type: none"> Production of tobacco products >5% 	  
Human rights, democracy, corruption and tax (applied to sovereign bonds and listed state-controlled companies)	Exclude (no revenue share threshold applied)	

List of excluded companies and states per December 2023

Companies that currently meet Länsförsäkringar's exclusion criteria and are constituents within our reference indices (Global and Sweden) are listed on the following pages. States and state-controlled companies are listed regardless of index belonging. A complete list of all identified companies that meet the existing exclusion criteria can be shared upon request – please contact esg@lansforsakringar.se.

New and supplementary data, both ESG and financial, is continuously integrated into the investment process. LFAB's assessment of individual companies and states may therefore be subject to change. Companies and states that have been added to the list this update per December 2023 are indicated with a * below.

³ According to guidelines from the Swedish Investment Fund Association, a 5% revenue share threshold is typically applied to determine involvement in sectors or economic activities that meet the exclusion criteria. This approach with thresholds is also commonly applied by providers of ESG-related data to categorize corporate involvement in certain sectors/activities. The revenue threshold refers to external revenues based on data provided by external data providers.

Controversies and violations of principles for responsible business conduct

Länsförsäkringar AB does not make direct investments in companies which are assessed to violate international principles for responsible business and associated conventions, and where active ownership with the company has not achieved the desired outcome.

Länsförsäkringar AB considers the following principles and guidelines in the regular screening process to identify potential companies involved in violations:

- the UN's Global Compact Principles for responsible business conduct covering the environment, human rights, labour rights, and anti-corruption (also referenced in SFDR's PAI 1.10),
- the OECD Guidelines for Multinational Enterprises (also referenced in SFDR's PAI 1.10),
- the UN Guiding Principles on Business and Human Rights, and associated international conventions (see full list via [link](#)).

The following companies are considered to be involved in serious violations and are for the time being excluded.

- **China Northern Rare Earth (Group) High-Tech Co Ltd**
- **Enbridge Inc.**
- **Inner Mongolia Baotou Steel Union Co. Ltd.**
- **Metallurgical Corporation of China Ltd.**
- **PetroChina Co Ltd.**
- **Phillips 66**
- **Ratch Group Public Co. Ltd.**⁴
- **Tokyo Electric Power Company Holdings, Incorporated**
- **Vale SA**

Controversial weapons

Länsförsäkringar AB does not make direct investments in companies which are assessed to be involved in cluster munition and bombs, anti-personnel mines, biological and chemical weapons, including depleted uranium and white phosphorus, as well as nuclear weapons. The following companies are considered to be involved in controversial weapons and are for the time being excluded.

- **Airbus group**
- **Aselsan Elektronik Sanayi ve Ticaret Anonim Sirketi**
- **BAE Systems PLC**
- **Boeing Co**
- **Dassault Aviation S.A.**
- **General Dynamics Corp**
- **Hanwha Corp**
- **Honeywell International**
- **Huntington Ingalls Industries, Inc.**
- **ICL Group Ltd.**
- **L3Harris Technologies, Inc.**
- **Larsen & Toubro Limited**
- **Leidos Holdings Inc**
- **Leonardo S.p.a**
- **Lockheed Martin Group**
- **Norinco International Co.,ltd ***
- **Northrop Grumman Corp**
- **Raytheon Technologies Corp.**
- **Safran SA**
- **Textron Inc.**
- **Thales**

Fossil fuels

Länsförsäkringar AB does not make direct investments in companies with certain type of involvement in fossil fuels⁵:

⁴ Company also excluded for thermal coal

⁵ Figures on fossil fuel revenue share are based on company information from licensed database as per November 2023.

- mining or utility companies that derive more than 5 percent of their revenue from thermal coal, with the exception of companies that meet the transition criteria⁶,
- energy companies that derive more than 5 percent of their revenue from exploration and *conventional* production of oil and gas, with the exception of companies that meet the transition criteria⁶,
- energy companies that derive more than 5 percent of their revenue from *unconventional* extraction of oil and gas, or,
- companies, when applicable, with significant oil reserves and production where the prospects for meaningful active ownership are deemed to be insufficient.

Länsförsäkringar AB may, referring to our transition criteria above, consider retaining certain utility and energy companies as investable if they are deemed to be in transition. An analysis is conducted of selected companies against our various climate focused transition criteria on a regular basis to inform our decision.

The following companies are currently excluded and are therefore deemed not to meet the transition criteria.

Thermal coal – extraction and/or for energy production (utilities)

- | | |
|--|---|
| • Aboitiz Equity Ventures, Inc. | • Electricity Generating Public Company Limited |
| • Aboitiz Power Corporation | • Emera Incorporated |
| • Adani Power Limited | • Eversource Energy, Inc. |
| • Adani Transmission Limited | • Exxaro Resources Limited |
| • Adaro Energy Indonesia Tbk | • FirstEnergy Corp. |
| • AES Corporation | • Formosa Chemicals & Fibre Corporation |
| • Alliant Energy Corporation | • Formosa Petrochemical Corporation |
| • Ameren Corporation | • GD Power Development Co., Ltd |
| • Banpu Public Company Limited | • Glencore plc * |
| • Bayan Resources Tbk PT | • Global Power Synergy Public Company Limited |
| • Beijing Jingneng Power Co., Ltd. | • Guangdong Electric Power Development Co., Ltd. |
| • BHP Group Ltd | • Guangdong Investment Limited |
| • Centerpoint Energy | • Guanghui Energy Co., Ltd.⁷ |
| • China Coal Energy Company Limited | • Guangxi Guiguan Electric Powerco., Ltd. |
| • China Power Intl Dev. | • Guangzhou Development Group Incorporated |
| • China Resources Power Holdings Company Limited | • Henan Shen Huo Coal Industry And Electricity Power Co., Ltd. |
| • China Shenhua Energy Company Limited | • HK Electric Investments and HK Electric Investments Limited |
| • Citic | • Huadian Power International Corporation Limited |
| • CLP Holdings Limited | • Huaibei Mining Holdings Co, Ltd. |
| • CMS Energy Corporation | • Huaneng Power International, Inc. |
| • Coal India Limited | |
| • Datang International Power Generation Co., Ltd. | |
| • Dominion Energy, Inc. | |
| • DTE Energy Company | |
| • Duke Energy Corporation | |

⁶ See detailed description of our transition criteria and separate list of companies in transition on our website ([link](#)).

⁷ Company also excluded for involvement in conventional oil & gas

- Hubei Energy Group Co., Ltd.
- Inner Mongolia Junzheng Energy & Chemical Group Co., Ltd.
- Inner Mongolia Mengdian Huaneng Thermal Power Corporation Limited
- Jindal Steel & Power Limited
- Jinneng Holding Shanxi Coal Industry Co.,Ltd.
- Jsw Energy Limited
- Mitsui & Co., Ltd.
- Ningxia Baofeng Energy Group Co., Ltd.
- NiSource Inc.
- NTPC Limited
- Origin Energy Limited
- Pattinson (Washington H. Soul Pattinson and Company Limited)
- Pinnacle West Capital Corporation
- PPL Corporation
- PT Astra International Tbk
- Pt Bukit Asam Tbk
- San Miguel Corporation

- Shaanxi Coal Industry Company Limited
- Shan Xi Huayang Group New Energy Co. Ltd.
- Shanghai Electric Power Co., Ltd.
- Shanxi Coal International Energy Group Co.,Ltd
- Shanxi Coking Coal Energy Group Co., Ltd.
- Shanxi Lu'an Environmental Energy Development Co., Ltd.
- Shenergy Company Limited
- Shenzhen Energy Investment Co.,ltd.
- Southern Company (The)
- Tata Power Company Limited
- TBEA Co., Ltd. (Tebian Elec App A)
- Tenaga Nasional Berhad
- United Tractors Tbk
- Vedanta Limited
- WEC Energy Group, Inc.
- Wintime Energy Group
- Yancoal Australia Ltd
- Yankuang Energy Group Company Limited
- Zhejiang Zheneng Electric Power Co., Ltd.

Oil and gas - unconventional^{8 9}

- APA Corporation
- Arc Resources Ltd
- Canadian Natural Resources Limited
- Cenovus Energy Inc.
- ConocoPhillips
- Coterra Energy Inc
- Devon Energy Corporation
- Diamondback Energy Inc
- EOG Resources Inc
- EQT Corporation
- Hess Corp

- Imperial Oil Limited
- Marathon Oil Corp
- Occidental Petroleum Corp
- Pioneer Natural Resources Co
- PTT Exploration and Production Public Company Limited
- Sinopec Oilfield Services Corp*
- Suncor Energy Inc.
- Teck Resources Limited
- Tourmaline Oil Corp

Oil and gas - exploration and conventional¹⁰

- Aker BP ASA

- BP p.l.c.

⁸ Unconventional oil and gas refer to companies involved in the extraction of oil from oil sands, the extraction of shale oil and shale gas by so called 'fracking' methods, and the extraction of coalbed methane.

⁹ All companies under this heading, with the exception of Teck Resources Limited and Sinopec Oilfield Services Corp, are also involved conventional extraction of oil and gas.

¹⁰ Exploration and conventional oil and gas extraction refers to companies involved in integrated oil & gas, oil & gas drilling, oil & gas exploration & production.

- **Chevron Corporation**
- **China Oilfield Services Limited**
- **China Petroleum & Chemical Corporation**
- **Ecopetrol S.A.**
- **Eni S.p.A.**
- **Exxon Mobil Corporation**
- **Galp Energia, SGPS, S.A.**
- **Inpex Corporation**
- **Oil and Natural Gas Corporation Limited**
- **OMV Aktiengesellschaft**
- **Petro Rio SA**
- **Repsol, S.A.**
- **Santos Limited**
- **Saudi Arabian Oil Co (Saudi Aramco)¹¹**
- **Shandong Xinchao Energy Corporation Limited**
- **Shell PLC**
- **Woodside Energy Group**

Gambling

Länsförsäkringar AB does not make direct investments in companies which derive more than 5 percent of their revenue from commercial online gambling or commercial land-based gambling.

Commercial online gambling

The exclusion criteria cover companies involved in the development, maintenance, management and/or marketing of activities that involve online gambling at casinos, slot machines and/or poker (or the equivalent).

- **Entain PLC (tidigare GVC Holdings Plc)**
- **Evolution Gaming Group**
- **Flutter Entertainment PLC**
- **Kindred Group plc**
- **Konami Group Corporation**
- **Organisation of Football Prognostics (OPAP)**

Commercial land-based gambling

The exclusion criteria cover companies involved in land-based gambling operations, typically referred to as casino operators, that offers gambling at casinos, slot machines and/or poker (or the equivalent).

- **Aristocrat Leisure Ltd**
- **Caesars Entertainment Inc.**
- **Galaxy Entertainment Group Limited**
- **Genting Berhad¹²**
- **Genting Malaysia BHD**
- **Genting Singapore Plc**
- **Kangwon Land Corp.**
- **Las Vegas Sands Corp.**
- **MGM Resorts International.**
- **Sands China Ltd.**
- **Sega Sammy Holdings Inc.**
- **Wynn Resorts Ltd.**

Pornography

Länsförsäkringar AB does not make direct investments in companies which derive any revenues from the production of pornographic material.

- *No companies with involvement in this type of activity have been identified within the reference indices.*

¹¹ Company excluded due to significant oil reserves and production in combination with an assessment that the conditions for meaningful engagement are insufficient.

¹² Company also excluded for thermal coal

Tobacco

Länsförsäkringar AB does not make direct investments in companies which derive more than 5 percent of their revenue from the production of tobacco products. The following companies are considered to be involved in production of tobacco products and are for the time being excluded.

- **Altria Group**
 - **British American Tobacco**
 - **Imperial Brands Plc**
 - **ITC**
 - **Japan Tobacco Inc**
 - **KT&G Corp (Korea Tobacco & Ginseng Corp)**
 - **LT Group, Inc.**
 - **Philip Morris International**
 - **PT Gudang Garam Tbk**
-

Sovereign states and jurisdictions as well as state-controlled companies

Länsförsäkringar AB does not make direct investments in government bonds issued by certain states and jurisdictions for the reasons described below. Furthermore, no direct investments are made in state-controlled listed Russian companies.

If direct investments are made in government bonds, it is usually in Swedish government bonds, government bonds from European countries or the United States.

Sovereign states and jurisdictions - human rights, democracy, and corruption

The exclusion criteria cover states that on an overarching level are assessed to be authoritarian, not free, corrupt and violate human rights. Sovereign states that meet these criteria are considered to have adverse impacts on sustainable development.

- **Afghanistan**
- **Belarus (Republic of Belarus)**
- **Burundi**
- **Democratic Republic of the Congo (DRC)**
- **Equatorial Guinea**
- **Eritrea**
- **Haiti**
- **Iran**
- **Libya**
- **Myanmar**
- **Nicaragua**
- **North Korea**
- **Republic of the Congo (Congo-Brazzaville)**
- **Russia (Russian Federation)**
- **Somalia**
- **South Sudan**
- **Sudan**
- **Syria**
- **Chad**
- **Turkmenistan**
- **Venezuela**
- **Yemen**

Direct investments in sustainability labelled bonds (green, social, thematic) from multilateral development banks/supranational institutions are not subject to these criteria, even in cases when states on the list above can both be beneficiaries of funding as well as shareholders of the bank (or equivalent organization). Proceeds from these types of sustainability labelled bonds are generally earmarked and intended to contribute to a sustainable development within respective country.

Sovereign states and jurisdictions - tax

The exclusion criteria cover states or jurisdictions that are assessed to not meet fundamental tax governance standards, such as counteracting tax evasion and avoidance, as well as money laundering. States or jurisdictions that meet the criteria are considered to have adverse impacts on sustainable development. Several of the states and jurisdictions below can be found on the EU list of non-cooperative jurisdictions for tax purposes. The EU list is typically updated twice a year.

- **Antigua and Barbuda ***
- **American Samoa**
- **Anguilla**
- **Bahamas**
- **Belize ***
- **British Virgin Islands**
- **Costa Rica**
- **Dominica**
- **Fiji**
- **Guam**
- **Palau**
- **Panama**
- **Russia**
- **Samoa**
- **Seychelles**
- **Trinidad and Tobago**

- **Turks and Caicos Islands**
- **US Virgin Islands**
- **Vanuatu**

State-controlled listed Russian companies and companies controlled by Russian oligarchs

Based on Russia's military invasion of Ukraine, violations of international law and human rights, listed Russian companies that are controlled, through majority ownership, by the Russian state and/or regions of Russia ('subyekty federatsii') are excluded. In addition, individual listed companies controlled by Russian oligarchs are also excluded.

Exclusion of Russian companies only affects Länsförsäkringar Fondförvaltning (mutual fund company) as two of its funds have emerging markets in their strategy. ¹³

- | | |
|---|--|
| • Aeroflot | • Public Joint Stock Company Tatneft |
| • Alrosa | • Public Joint Stock Company Transneft |
| • Bashneft | • Polymetal International Plc |
| • Gaz Capital S.A. | • RusHydro |
| • Gaz Finance PLC | • Rosseti, Public Joint Stock Company |
| • Evrast Plc Public Joint Stock Company Gazprom | • Rostelecom (Russia) |
| • Public Joint Stock Company Inter RAO UES | • Sberbank |
| • Public Joint Stock Company Lukoil | • Sovcomflot |
| • Public Joint Stock Company Mining and Metallurgical Company Norilsk Nickel | • Surgutneftegas Public Joint Stock Company |
| • Public Joint Stock Company Rosneft Oil Company | • United Aircraft Corporation |
| | • VTB Bank |

¹³ Länsförsäkringar Mutual Fund Company has emerging market funds with holdings in companies deemed to be controlled by the Russian state. A decision to exclude the companies has been made. Länsförsäkringar Mutual Fund Company has instructed the external managers of the funds to sell the companies linked to the Russian state as soon as allowed and practically possible.