Key information document

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

XACT Sverige (UCITS ETF)

Handelsbanken Fonder AB, a subsidiary of Svenska Handelsbanken AB (publ)

ISIN: SE0001056045

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Finansinspektionen is responsible for supervising Handelsbanken Fonder AB in relation to this Key Information Document. This PRIIP product (fund) is authorized in Sweden and managed by Handelsbanken Fonder AB. Handelsbanken Fonder AB is authorized in Sweden and regulated by the Swedish Financial Supervisory Authority.

Date of production of the KID: 02/02/2024

What is this product?

Type

This is a securities fund (UCITS) under regulation of Swedish law.

Term

The fund does not have a maturity date. The fund management company has the right to close the fund and redeem the fund units as described in the information included in the fund prospectus.

Objectives

The fund is an exchange-traded index fund with the objective to track the performance of the SIX Sweden ESG Selection Index as closely as possible.

The fund is passively managed. Fund returns are determined by how the fund's investments in equities increase or decrease in value. The index will be replicated through physical replication. The method selected for replication means that the fund will invest directly in those equities included in the index. Tracking error is expected to be less than 0.2% under normal market conditions. The management fee, as well as customer flows, index rebalancing and corporate events result in transaction costs for the fund, which are not present in the index. These are the main factors that impact the fund's ability to replicate the index. The index is reinvested, i.e., distributions paid for equities included in the index are reinvested in the index.

The index consists of a selection of the most-traded equities on the Nasdaq Stockholm Stock Exchange that fulfil the sustainability requirements in the index. The fund invests in equities included in this index.

The index that the fund tracks includes sustainability requirements. The sustainability requirements mean that the index excludes companies involved in verified violations of international norms as well as companies operating within controversial sectors such as forbidden weapons, nuclear weapons, military equipment, tobacco, cannabis, alcohol, commercial gaming and pornography. The sustainability requirements also mean that the index includes companies with high sustainability ratings. As a minimum, 50% of the index companies, as measured in the total market value of the index, must have a strong sustainability rating.

The fund can invest in derivative instruments as part of the fund's investment focus. However, the use of derivative instruments is of such a nature that it only has a marginal impact on the fund's risk level.

The share class normally distributes dividends in June each year. The objective is to annually distribute 4% of the value of the units at the time of the Management Company's decision about distributions. However, distributions can be both higher and lower.

Normally, you can purchase and sell fund units on the stock market, the so-called secondary market, on all banking days. You can also create and redeem units directly with the management company on the so-called primary market.

Additional information about the sustainability work and the funds index, may be found in the prospectus.

Intended retail investor

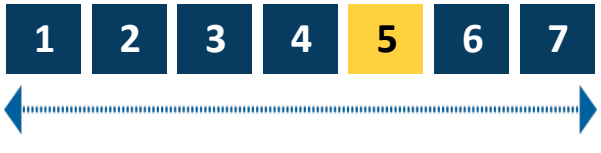
This fund may be suitable for investors who intend to hold their investments for at least 5 years and who understand that the money invested in the fund may both increase and decrease in value and that it is not certain that the entire capital invested can be returned. Investing in the fund does not require any specific prior knowledge or experience of UCITS or financial markets.

Depositary: J. P. Morgan SE - Stockholm Bankfilial.

The annual report, semi-annual report, prospectus, latest NAV price and other practical information may be obtained in Swedish free of charge at: www.handelsbankenfonder.se.

What are the risks and what could I get in return?

Risk indicator



Lower Risk — Higher Risk

The risk indicator assumes you keep the product for 5 years.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets.

We have classified this product as 5 out of 7, which is a medium-high risk class. This means the fund has medium-high risk of ups and downs in the share value. The indicator primarily reflects increases and decreases in the assets the fund is invested in.

This product does not provide any protection from future market performance. You could therefore lose some or all of your investment.

Performance scenarios

What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted. The unfavorable, moderate and favorable scenarios show the worst, average and best performance for the product over the last 10 years. Given that the share class does not have 10 years of historical performance, the relevant benchmark index or, alternatively, historical performance from another share class in the fund, is used for the calculation of the scenarios.

Recommended holding period: 5 years

Investment amount 100,000 kr

Scenarios		If you exit after 1 year	If you exit after 5 years
Minimum	There is no minimum guaranteed return. You could lose all of your investment.		
Stress Scenario	What you might get after costs	20,000 kr	16,500 kr
	Average return each year	-80.00 %	-30.26 %
Unfavourable Scenario	What you might get after costs	74,900 kr	88,900 kr
	Average return each year	-25.10 %	-2.33 %
Moderate Scenario	What you might get after costs	105,700 kr	128,700 kr
	Average return each year	5.70 %	5.18 %
Favourable Scenario	What you might get after costs	143,900 kr	173,300 kr
	Average return each year	43.90 %	11.62 %

The unfavorable scenario occurred during the period 12/2021 - 01/2024, the moderate scenario occurred 09/2014 - 09/2019 and the favorable scenario occurred 07/2016 - 07/2021. The stress scenario shows what you might get back in extreme market circumstances. The markets could develop very differently in the future.

What happens if Handelsbanken Fonder AB is unable to pay out?

By law, the fund's assets may not be held in custody by the fund management company. Instead, each fund must have a specific depositary that handles the safekeeping of the fund's assets. In the event of the bankruptcy of the fund management company, the management of the fund is taken over by the depositary. There is no compensation or guarantee scheme for investors in the fund.

What are the costs?

The person advising on or selling you this product may charge you other costs. If so, this person will provide you with information about these costs and how they affect your investment. If the fund is included as part of another product, e.g., unit-linked insurance, additional costs may arise for that product.

Costs over time

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product. The amounts shown here are illustrations based on an example investment amount and different possible investment periods.

We have assumed:

- In the first year you would get back the amount that you invested (0 % annual return). For the other holding periods we have assumed the product performs as shown in the moderate scenario.
- 100,000 kr is invested

	If you exit after 1 year	If you exit after 5 years
Total Costs	170 kr	1,060 kr
Annual Costs Impact (*)	0.17 %	0.17 % each year

(*) This illustrates how costs reduce your return each year over the holding period. For example it shows that if you exit at the recommended holding period your average return per year is projected to be 5.35 % before costs and 5.18 % after costs.

Composition of costs (amount in SEK is based on an investment of SEK 100,000).

One-off costs upon entry or exit		If you exit after 1 year
Entry Costs	We do not charge an entry fee, although the person selling the product may do so.	0 kr
Exit Costs	We do not charge an exit fee, although the person selling the product may do so.	0 kr
Ongoing costs		
Management fees and other administrative or operating costs	0.16 % of the value of your investment per year. This is an estimate based on actual costs over the last year.	160 kr
Transaction costs	0.01 % of the value of your investment per year. This is an estimate of the costs incurred when we buy and sell the underlying investments for the product. The actual amount will vary depending on how much we buy and sell.	10 kr
Incidental costs taken under specific conditions		
Performance fees and carried interest	There is no performance fee for this product.	N/A

How long should I hold it and can I take money out early?

Recommended holding period: 5 years

The fund does not have a minimum holding period requirement but since investments are made in equities, it is suitable for a long-term investment horizon. You should be prepared to save in the fund for at least 5 years. You can sell fund units in the stock market, in the so-called secondary market, normally every bank day. In the case of such a transaction, a brokerage fee is charged. You can also redeem units directly against the Fund Management Company, in the so-called primary market. Then, according to the fund regulations, a fee may be charged.

How can I complain?

If you wish to make a complaint about the fund, you can contact the person who advised you or sold you the product. You can also contact the fund management company directly at: klagomal@handelsbanken.se or write to Handelsbanken, Complaints Officer, 106 70 Stockholm, Sweden.

Other relevant information

Complete information about the fund is available in the fund's prospectus, which is available on the fund management company's website at: www.handelsbankenfonder.se, together with, among other things, the current version of this Key Information Document, the fund's annual report, the semi-annual report, and information on costs for prior periods.

Past performance: Returns for the past 10 years is available at:
https://handelsbanken.fundreporting.info/#/performance/past/SE0001056045/en?cpId=77.

Historical performance scenarios: Previously published performance scenarios are available at:
https://handelsbanken.fundreporting.info/#/performance/scenarios/SE0001056045/en?cpId=77.