

8) MANDATUM



RESPONSIBLE INVESTMENT REVIEW 2024

MARKETING COMMUNICATION

Always consult the official documentation of the investment product before making any final investment decisions. More information about the consideration of sustainability risks and factors in investment operations is available on Mandatum's website and in product-specific documentation. Mandatum Asset Management Ltd acts as a portfolio manager for and on behalf of Mandatum Group and as an insurance agent for its sister company, Mandatum Life Insurance Company Limited. Unit-linked insurances are issued, and investment baskets are owned by Mandatum Life Insurance Company Limited.

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1 INTRODUCTION



THIS IS MANDATUM

Mandatum is a major financial services provider that combines expertise in wealth management and life insurance. The company offers its clients a wide array of services covering asset and wealth management, savings and investment, compensation and rewards as well as pension plans and personal risk insurance.

Mandatum Group, of which Mandatum plc is the parent company, is divided into two business areas: life insurance and asset management. Mandatum Life Insurance Company Limited (Mandatum Life) and its subsidiaries offer services in wealth management, rewards and compensation, pension plans and personal risk insurance to private and corporate clients.

Mandatum Asset Management Limited (MAM) is an investment service provider that, together with its subsidiaries, combines fund business, discretionary and consultative wealth management and asset management services.

Mandatum's Sustainability Review 2024, which was published in April 2025, provides more information on the company's key sustainability themes, the sustainability actions taken during the year, and the results achieved. In addition to the review, Mandatum's sustainability is described more extensively in the Sustainability Statement, which is part of the Report of the Board of Directors and was prepared in accordance with the EU Corporate Sustainability Reporting Directive (CSRD).

mandatum.fi/en/year2024 →



FOREWORD

In 2024, Mandatum enjoyed yet another successful year in responsible investment assessments. We continued the impactful integration of sustainability into our investment processes across asset classes.

Mandatum is committed to protecting the environment and mitigating climate change. Sustainable development is part of our investment operations, and it is taken into account in our investment decisions alongside financial aspects. Mandatum's climate strategy complies with the principle of double materiality, which takes into account both the impacts of climate risks on the investee company and the company's impacts on sustainability factors. In this review, we discuss responsible investment within the Mandatum Group (Mandatum plc and its subsidiaries, hereinafter also "Mandatum") in 2024.

As part of developing Mandatum's long-term climate work, in 2024 we joined the global Net Zero Asset Managers (NZAM) initiative and committed to striving towards net-zero emissions from our investments by 2050 at the latest. We will set interim targets for emission reductions and draw up a concrete plan and actions to ensure that our operations support the realisation

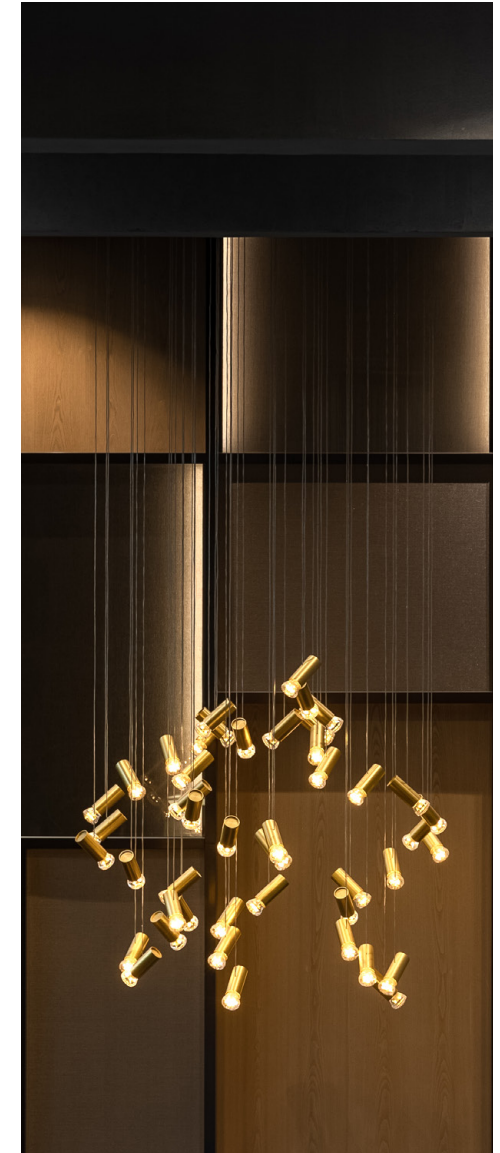
of emission reductions in the real economy. Active ownership and engagement are part of the means used to support the achievement of the net-zero target. In this review, we present the development of our products' carbon intensity since 2021. In 2024, the carbon intensity of Mandatum's investment products was lower than it was in previous years for almost all products.

We received excellent scores in the UN Principles for Responsible Investment's (UN PRI) assessment. Mandatum participated in eleven evaluated areas, achieving the highest star scores in seven of them. The results improved in several asset classes, for instance, in active indirect fixed income investments and in real estate. Direct private equity investments were included in the assessment for the first time and scored five stars. The assessment covered the year 2023.

Mandatum's direct real estate investments and the special investment fund Mandatum

AM Finland Properties II managed by Mandatum AM AIFM Limited have participated in the Global Real Estate Sustainability Benchmark (GRESB) assessment since 2019. The fund improved its ranking in 2024 and received the full five stars in the GRESB assessment. It ranked third in both its Finnish and European peer groups. Mandatum AM Finland Properties II complies with the sustainability disclosure obligations under SFDR Article 8. In addition to the special investment fund, Mandatum's direct real estate investments also once again received the Green Star designation in the assessment in recognition of good management and sustainability work.

Mandatum carries out a comprehensive sustainability survey annually for the real estate fund managers in the European Real Estate (ERE) programme. The results of the 2024 survey showed a clear improvement especially in the development of practical ESG matters, but also in managers' policies and principles. We focus on analysing



managers' responsibility and, in addition to reporting on the results to our clients, we provide managers with feedback on developments in ESG matters based on our analysis. We are pleased with the positive trend in managers' performance.

A positive trend was also seen in the results of the sustainability survey that was carried out on the underlying funds in the Private Debt programme. There was an increase particularly in fund-specific sustainability reporting as well as in carbon footprint reporting. Besides reporting, the importance of taking biodiversity into consideration was recognised and, according to the survey, 78 per cent of managers take biodiversity matters into account in their investment approach.

During the year, we deepened the competence of Mandatum's personnel through training in taking biodiversity into account in investment activities. We also initiated work to create a biodiversity roadmap for investment activities and examined the biodiversity risks and impacts of direct equity and fixed income products through an industry-specific analysis.

In 2024, we revised the voluntary sustainability reports for our investment products. Depending on the investment product, the regularly published reports provide information on, for example, net impact, ESG risk rating, carbon intensity development, fossil exposure and investees' emission-reduction targets. The goal of the update is to provide clients with even broader product information, especially on climate-related matters.

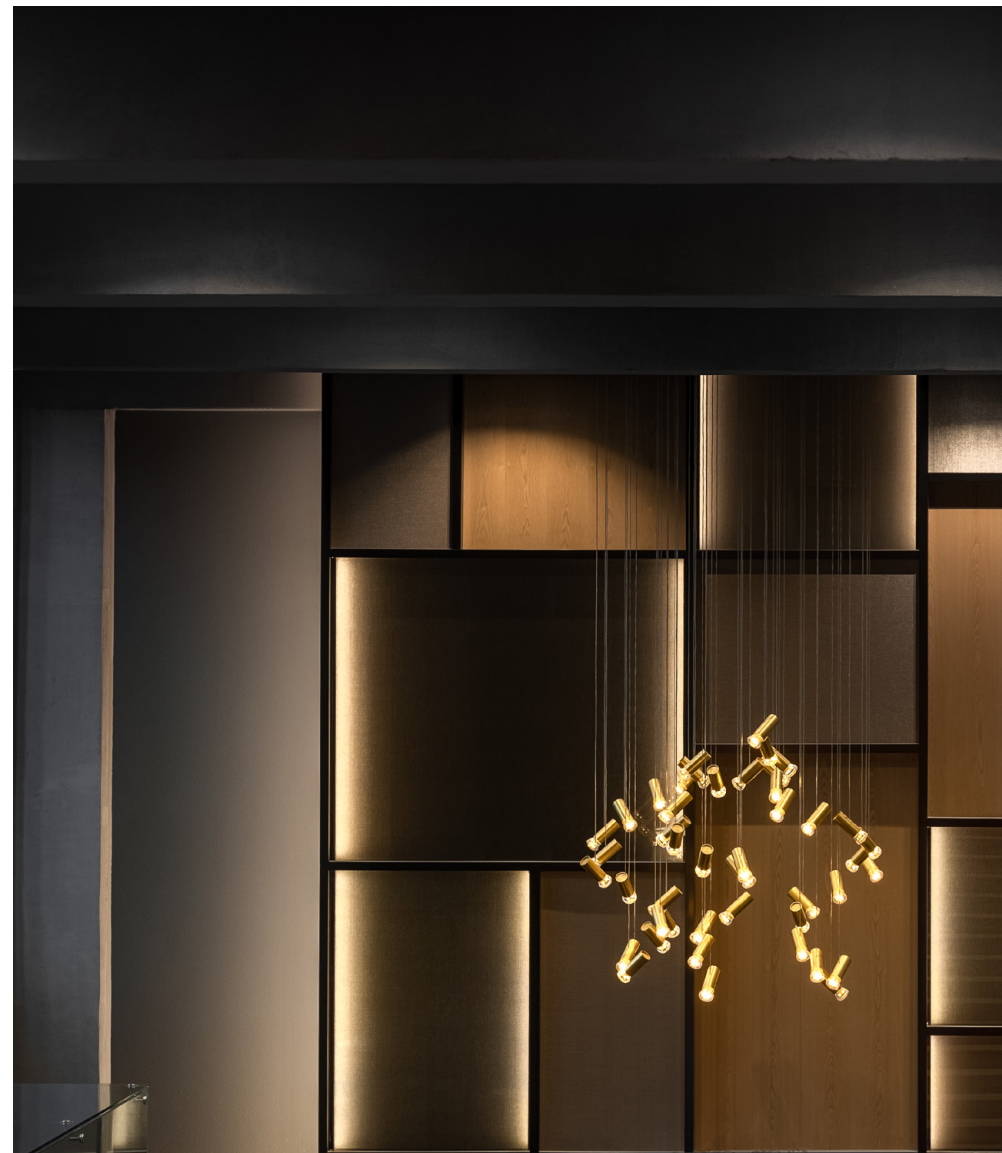
Several sustainability topics, such as climate change and protection of biodiversity, as well as the role of the defence industry, emerged in discussions with clients during the year. We thank our clients and co-operation partners for the good dialogue and, going forward, we will continue our responsible investment development efforts.

Juhani Lehtonen

Chief Investment Officer
Mandatum

Sari Rajakangas

Head of Responsible Investments
Mandatum Asset Management



HIGHLIGHTS OF RESPONSIBLE INVESTMENT 2024

Excellent scores in the UN Principles for Responsible Investment (UN PRI) assessment.*

Five stars for Mandatum's real estate fund in GRESB assessment.

Mandatum joined the international Net Zero Asset Managers (NZAM) initiative.

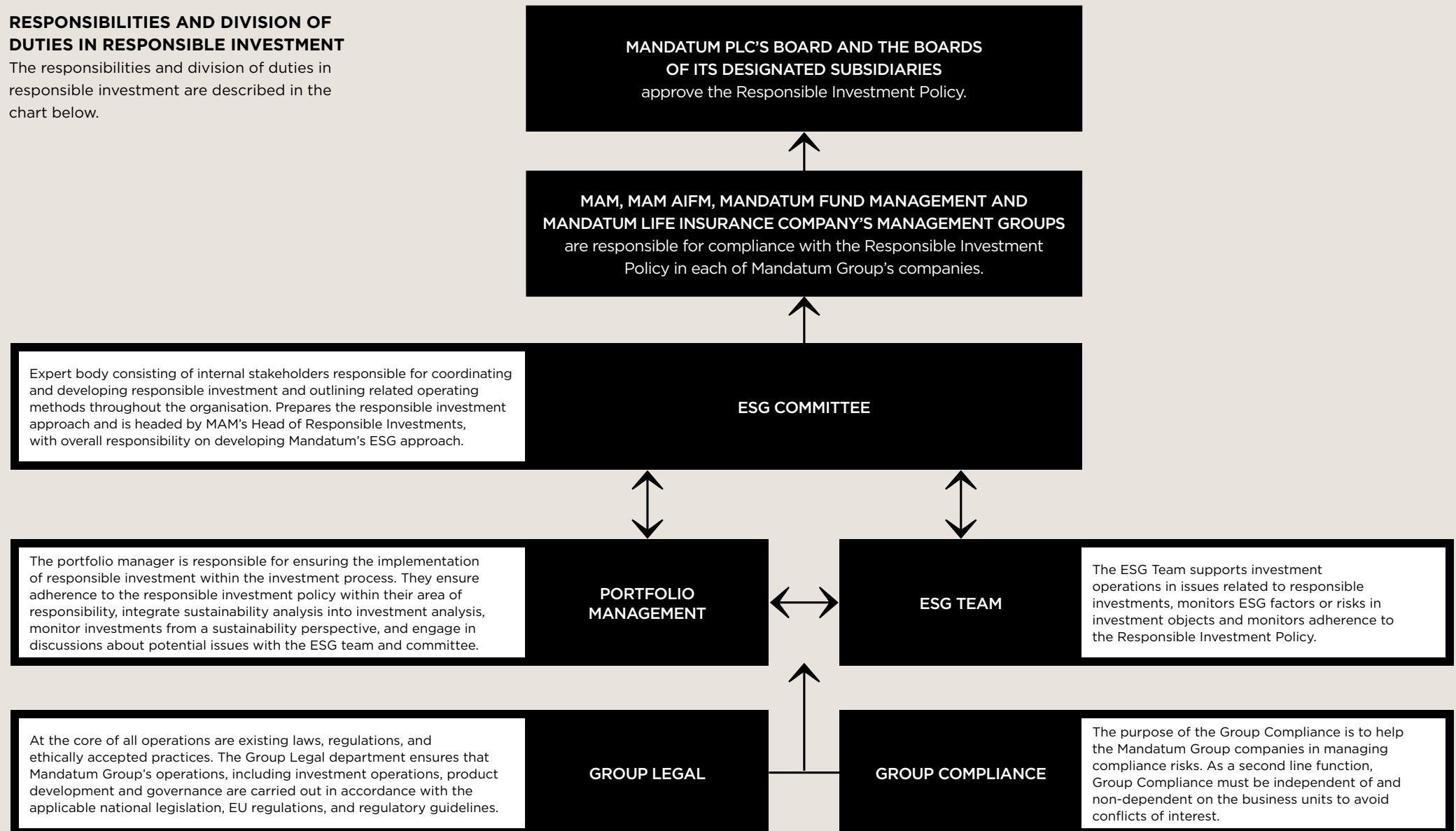
The voluntary sustainability reports for investment products were revised.

The certification rate of direct housing and commercial properties is 60 per cent.

* Links to the UN PRI reports on page 13.

RESPONSIBILITIES AND DIVISION OF DUTIES IN RESPONSIBLE INVESTMENT

The responsibilities and division of duties in responsible investment are described in the chart below.



2

GENERAL APPROACH



GENERAL APPROACH

At Mandatum, taking sustainability aspects into consideration is a routine part of operations. A sustainability assessment is integrated into the investment analysis of each asset class and takes into account their special characteristics. Thus, sustainability assessments differ depending on the asset class. The assessment of sustainability factors follows the same principle as the selection of investments: the focus is directly on the company, and the decision is based on an analysis of the company and its sector.

Mandatum's Responsible Investment Policy defines the company's responsible investment principles and is binding for the entire personnel. The policy describes the minimum level of measures to be taken to address sustainability risks and adverse sustainability impacts. Certain products may be subject to stricter principles and investor engagement procedures. The policy is reviewed and updated annually.

[Responsible Investment Policy](#) →

ASSESSMENT OF THE SUSTAINABILITY FACTORS OF INVESTMENTS

In addition to financial aspects, the investment analysis looks at factors related to sustainable development and related risks and opportunities. The materiality of sustainability risks varies depending on the investee company's sector and business model. A sustainability risk means an environmental, social or governance event or condition that, if it occurs, could have a negative impact on the value of the investment. Transition risks refer to how companies are able to adapt their business to a low-carbon and sustainable economy and develop their operations in relation to the expectations of clients and society. Potential sustainability risks related to investee companies' value chains must also be taken into account as part of the investment analysis. In analysing investments, Mandatum also seeks to identify and mitigate the adverse impacts of its investment operations on the environment, society and employees and promote human rights and issues related to anti-corruption and anti-bribery. In its climate strategy, Mandatum follows the double materiality principle. This means that both the impacts of climate risks on the investee company and the company's impacts on sustainability

factors are taken into consideration.

IMPACT ASSESSMENT

An impact assessment has been incorporated in the analysis of investee companies' business to complement the assessment of sustainability factors, which is an evaluation of the positive and negative impacts of companies and their net impacts on society and the environment on a wider scale. For certain Mandatum's investment products, the impact assessment uses a model designed by a third-party service provider, the Upright Project, which seeks to quantify the positive and negative impacts of companies in four broader dimensions. The four dimensions of impact are society, environment, health and knowledge. In the Upright model, the highest possible net impact score is 100 per cent, but there is no lower limit for negative scores.

EXCLUSION OF SECTORS AND PRODUCT GROUPS

Mandatum has identified sensitive business areas that are considered to carry more sustainability risks and cause more adverse sustainability impacts than other areas. The Responsible Investment Policy lists the exclusion criteria by sector and product group for direct investments in

equities, bonds and loans that have been defined as promoting environmental or social characteristics (SFDR Article 8) or as being sustainable investments (SFDR Article 9). The criteria serve as a guideline for portfolio managers in all asset classes. Stricter exclusion criteria may also be applied on a product-by-product basis. Investments in companies in the coal and oil industry that exceed set revenue limits can be allowed for products other than Article 9 products if the company has a credible transition plan based on internal criteria. If an investment in the portfolio no longer meets the criteria, Mandatum will divest the investment within a reasonable period of time, taking into account clients' best interests and the market situation. In addition to sector-specific monitoring, Mandatum complies with statutory exclusions (such as investments excluded on the basis of domestic or international laws, bans, treaties or embargos). Direct business refers to the manufacture or production of products or services. Indirect business refers to the various parts of the manufacturing or production value chain, such as subcontracting, transportation or distribution.

Industry/ Product group	Percentage of sales		Description
Zero tolerance	Direct business	Indirect business	
Controversial weapons	0%	0%	Investments are not made in companies that derive revenue from manufacturing, subcontracting or distribution of controversial weapons. Controversial weapons are, for example, biological, chemical, nuclear and cluster weapons.
Low tolerance	Direct business	Indirect business	
Coal	5%	30%	Investments are not made in companies that derive over 5% of revenue from mining of coal or whose share of revenue from coal mining subcontracting or distribution of coal exceeds 30%. Investments are not made in companies whose share of revenues from coal-based energy production exceeds 30%. Exemptions may be granted to companies that present a credible transition plan*.
Tobacco	0%	50%	Investments are not made in companies that derive revenue from manufacturing of tobacco products or derive more than 50% of revenue from subcontracting or distribution of tobacco products.
Adult entertainment	0%	50%	Investments are not made in companies that derive revenue from production of adult entertainment or that derive more than 50% of revenue from adult entertainment industry subcontracting or distribution.
Gambling	50%	50%	Investments are not made in companies that derive more than 50% of revenue from gambling or gambling subcontracting.
Military equipment	50%	50%	Investments are not made in companies that derive more than 50% of revenue from manufacturing, subcontracting or distribution of military equipment.
Oil	40%	40%	Investments are not made in companies that derive more than 40% of revenue from direct business to the fossil oil industry, including exploration, extraction and production of fossil oil. Investments are not made in companies that derive more than 40% of revenue from indirect business to the fossil oil industry, including distribution, refining and processing of fossil oil or production of fossil oil-based energy. Exemptions may be granted to companies that present a credible transition plan*.

Limits set on direct equity (incl. direct private equity investments) and fixed income as a share of sales by industry/product group, in accordance with the Responsible Investment Policy approved in December 2024. The limits are applied to equity and fixed income investment products that are determined to promote environmental or social characteristics or to be sustainable investments, but they serve as guidelines in other asset classes as well.

*Exemptions may be granted for companies that have a credible transition plan based on an internal set of criteria.

In addition to the exclusion of certain sectors, Mandatum invests in companies that offer technical innovations for the mitigation of climate change, for example. Mandatum's aim is to reduce exposure to the fossil fuel industry while investing in companies that produce energy from renewable sources or have a clear and credible strategy to transition from fossil fuels to a more sustainable business model.

MONITORING THE SUSTAINABILITY FACTORS OF INVESTMENTS

Depending on the asset class, sustainability factors are assessed based on several criteria. Sectors that are sensitive from an ESG perspective and violations of international norms and standards are monitored in direct equity and fixed income investments through both external service providers and Mandatum's own company analyses. International norms and standards include the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, the UN Guiding Principles on Business and Human Rights, implementation of the UN 'Protect, Respect and Remedy' Framework and the Paris Agreement on Climate Change. A detailed description of the

monitoring of sustainability factors in each asset class can be found in Mandatum's Responsible Investment Policy.

Mandatum assesses the sustainability risks of its external investment funds annually based on available information. In addition, the managers administering target funds of the Private Debt (PD) and European Real Estate (ERE) programmes are required to respond to an extensive ESG survey during the due diligence phase preceding an investment decision and annually during the investment's life cycle. The survey is used to monitor performance development in sustainability issues. Identified development targets are addressed by discussing them with the manager administering the target fund.

DIRECT AND POOLED ENGAGEMENT

The aim is for material sustainability risks to be identified during the due diligence phase, but their monitoring and assessment continue throughout the life cycle of the investment. Mandatum strives to mitigate identified risks related to sustainable development and responsibility in co-operation with investee companies. Pooled engagement is used especially when it is believed that the company's operating methods can

be changed effectively together with other investors. Pooled engagement is mainly used in a reactive manner to address issues that have already occurred.

REGULAR SUSTAINABILITY REPORTING

Mandatum publishes sustainability reports on a part of liquid asset classes twice a year and on the PD and ERE programmes once a year. Depending on the investment product, the reports include, among other things, the net impact, the development of carbon intensity and fossil exposure, detected violations of norms and the development of the ESG risk rating. For certain products, sustainability issues are reported on a quarterly basis in connection with other financial reporting. For the PD and ERE programmes, a summary of the results of the ESG manager survey is published in the autumn in connection with sustainability reporting. The requirements of the second phase, or Level 2, of the SFDR entered into force at the beginning of 2023. As a result, Mandatum reports annually on products complying with Articles 8 and 9 with a separate periodic disclosure about how the environmental and/or social characteristics promoted by the product have been realised or to what extent the product's sustainable investment

goal has been achieved, for example.

CASE

EXCELLENT SCORES IN THE UN PRINCIPLES FOR RESPONSIBLE INVESTMENT ASSESSMENT

Mandatum received excellent scores in the 2024 UN PRI (Principles for Responsible Investment) assessment, which evaluates the year 2023.

Mandatum participated in a total of eleven evaluated areas, achieving the highest star scores in seven of them. These were: direct private equity, direct real estate, direct listed equity, direct fixed income corporate, active indirect fixed income, indirect private equity and indirect real estate.

The annual PRI assessment measures responsible investment practices. The assessment tells how well the UN PRI's principles are implemented in the organisation's investment activities by asset class and which areas of investment operations are in need of improvement.

"We are extremely pleased with the results. In several asset classes, we have managed to further improve our performance, and it is fantastic to see how our active work on responsibility has paid off. Direct private equity investments were included in the assessment for the first time and instantly achieved a five-star score. This is something we can be very proud of. Sustainability aspects emerge in many of the client discussions we have, and I would like to thank all our clients for their excellent co-operation and dialogue on this topic," says **Sari Rajakangas**, Head of Responsible Investments at Mandatum.

Read more:

[PRI assessment report](#) →

[PRI transparency report](#) →

Module	Star score
Policy Governance and Strategy	★★★★☆
Indirect – Listed equity – Passive	★★★★☆☆
Indirect – Listed equity – Active	★★★★☆
Indirect – Fixed income – Active	★★★★★
Indirect – Private equity	★★★★★
Indirect – Real estate	★★★★★
Direct – Listed equity – Active fundamental	★★★★★
Direct – Real estate	★★★★★
Direct – Private equity	★★★★★
Direct – Fixed income – Corporate	★★★★★
Confidence building measures	★★★★☆



3

SUSTAINABILITY IN DIFFERENT ASSET CLASSES

SUSTAINABILITY IN DIFFERENT ASSET CLASSES

ALLOCATION PRODUCTS

Allocation solutions invest in equity, fixed income and alternative investments managed by Mandatum and in funds managed by leading external portfolio managers.

The portfolio management of allocation solutions uses the net impact model developed by the Upright Project. The model is used to assess the impact of external funds and ETFs in asset allocation solutions as part of the pre-investment sustainability analysis and in monitoring over the investment's life cycle.

CASE

SUSTAINABILITY IN ALLOCATION SOLUTIONS

In late 2024, Mandatum decided to increase the global diversification of small and medium-sized companies in its allocation products by decreasing the weight on European companies, in anticipation of possible tariffs imposed by the United States, among other reasons.

The investment was made through the actively managed Mercer Global Small Cap Equity Fund*. The fund takes environmental and social characteristics into consideration in its investment strategy and the fund complies with the disclosure requirements under Article 8 of the SFDR. The fund's portfolio has a smaller carbon intensity compared to the benchmark index. In addition, the impact of investments on the UN Sustainable Development Goals is assessed as part of the investment process. The fund restricts investments in companies that generate revenues from any of the following product categories or industries: thermal coal extraction, Arctic drilling, oil tar sand mining, controversial weapons and tobacco products.

In addition, the fund follows the implementation of good governance practices in its investments and their alignment with the UN Global Compact principles and OECD Guidelines (OECD Guidelines for Multinational Enterprises on Responsible Business Conduct). Where necessary, Mercer, who is managing the fund, seeks to engage with its investees in accordance with its engagement principles.

In the pre-investment analysis, Mandatum evaluated the degree to which the fund's exclusion criteria match those set for the company's direct equity and fixed income investments. Mandatum also assessed the positive and negative impact of the fund's investments according to the Upright Project net impact model and the impact of the fund on the carbon intensity of the portfolio as a whole. In addition, the analysis examined Mercer's investor engagement principles and available resources to ensure responsible investment.

*References to the target funds are for illustrative purpose only. This presentation is not a marketing communication to promote these funds, nor a recommendation to invest in them.

LOAN INVESTMENTS

In Mandatum's loan strategies, investments mostly focus on syndicated loan facilities of European mid-cap and large-cap unlisted companies. The portfolios are actively managed, and the selection of investee companies emphasises defensive industries. An ESG analysis is conducted on loan investments to evaluate the ESG considerations associated with the industry, company and the individual transaction.

The investment selection of loan strategies follows the sector-specific restrictions and exclusion criteria described in Mandatum's Responsible Investment Policy, thereby promoting certain minimum environmental and social characteristics. The investment analysis takes into consideration the risks and opportunities associated with the investee company and its impact on society and the environment. Stricter exclusion criteria may also be applied to certain products. The net impact model by the Upright Project is used to support the assessment.

The investment process consists of a preliminary screening, in-depth credit analysis and ongoing monitoring. ESG factors are evaluated at each stage of the investment

process as part of the overall investment assessment. As part of the preliminary screening, each investment is subjected to an eligibility assessment, which evaluates the compatibility of the company's ESG policies with the investment strategy. If the decision is made to invest in the company, the company is transferred to the actual ESG process. The ESG characteristics of existing investments and their development are monitored at the level of individual investments and the fund as a whole.

Steps in the investment process

1. Preliminary screening

The first stage involves an overall review of the details of the transaction and the company's background. Among other criteria, the preliminary screening excludes companies that do not meet the sector exclusion criteria defined in Mandatum's Responsible Investment Policy. Products may also be subject to stricter product-specific exclusion criteria, such as in the strategy applied by the UI-Mandatum AM Senior Secured Loan Fund for professional investors, which is an Article 9 product in accordance with the SFDR.

2. Credit analysis

The next phase includes a more comprehensive analysis of the company and its financial position, industry outlook and details of the transaction. The analysis also includes an assessment of material ESG risks, opportunities and impacts. The analysis also uses data produced by third-party service providers and advisers. In addition, a separate ESG due diligence or ESG questionnaire is available for a significant portion of loan transactions. For funds that have a sustainable investment objective, the ESG analysis conducted alongside the credit analysis is more comprehensive and includes a detailed net impact analysis.

3. Investment decision

The actual investment decision is based on the final loan terms, the in-depth credit analysis and the compatibility of ESG factors. If gaps or areas for improvement in the ESG factors are identified during the investment process, the investment may either not be made or, depending on the severity of the gaps and the investee's sustainability plan, progress will be monitored as part of the overall assessment and pursued throughout the investment's life cycle.

4. Active portfolio management

The monitoring and regular reporting of ESG factors is part of active portfolio management. The investments' greenhouse gas emissions and exposure to fossil fuels are regularly monitored. Investments are also monitored for violations of international norms, such as the UN Global Compact principles. Efforts are made to engage with investees if violations are identified.

UI – Mandatum AM Senior Secured Loan Fund, SFDR Article 9

The UI – Mandatum AM Senior Secured Loan Fund (“SSLF”) is an Article 9 SFDR fund aimed exclusively for professional investors. The objective of the fund is to establish a loan portfolio with an overall positive net impact score, as measured using Upright’s net impact model. The fund follows separately defined sector restrictions and exclusion criteria, which are partially stricter than those defined in Mandatum’s Responsible Investment Policy. The fund’s sustainable investment objective also requires that each individual investment has a positive net impact, as measured by the social characteristics of the model. Social characteristics aim to describe the impact of each investee company on society, knowledge and health.

Financial products that have sustainable investment as their objective must also follow the ‘do no significant harm’ (DNSH) and good governance principles. The implementation of these principles is assessed by five means, taking into account the availability of data:

- by adhering to the minimum levels set for each dimension in the Upright model,
- by avoiding harmful sectors, partly by means of restrictions stricter than those defined in Mandatum’s Responsible Investment Policy,
- by screening companies for violations of norms and controversial activities,
- by reviewing the principal adverse impacts (PAI) defined by the SFDR, and
- by carrying out ESG risk assessments.

In addition to sustainable investment objectives, DNSH principles and good governance, the fund’s investment analysis assesses the impact of investee companies and the sustainability risks and opportunities associated with them. The fund gives preference to investments in low-cycle sectors. Examples of these include education, software and pharmaceuticals.

SSLF made several investments in 2024:

Example company	Industry	Upright net impact	Greatest positive impact
Example 1	Healthcare	71%	Physical disorders, social infrastructure
Example 2	Waste management	60%	Waste, social infrastructure
Example 3	Healthcare	73%	Physical disorders
Example 4	Building information services	52%	Social infrastructure
Example 5	Software	48%	Distribution of knowledge
Example 6	Software	47%	Knowledge infrastructure
Example 7	Pharmaceuticals	46%	Physical disorders
Example 8	Maintenance of private schools	79%	Distribution of knowledge

PRIVATE DEBT INVESTMENTS

In strategies that invest in externally managed funds, such as the Private Debt programme, the due diligence process, continuous monitoring and feedback as well as dialogue with external fund managers are key to ensuring engagement aimed at responsibility and sustainable development.

Mandatum's Private Debt investments are divided into direct lending and opportunistic strategies. Both sub-segments have different roles in the portfolio, which is why different factors influence the selection of managers and ESG assessment. The good track record of Private Debt strategies in the management of ESG characteristics is based on its four-stage investment process, extensive annual sustainability surveys and a sustainability framework developed based on their results. Target funds are evaluated in the investment strategy from the perspective of both their sustainability commitments and the realisation of commitments.

Steps in the investment process

1. Preliminary review

In the first phase, Mandatum makes an initial assessment of the manager's investment experience and history and the implementation of ESG policies and

practices. Based on the assessment, a decision is made on whether to proceed to the due diligence stage.

2. Due diligence

An integral part of the due diligence stage is the ESG survey, which serves as an analytical tool to assess the ESG practices of managers and funds. Managers respond to the ESG survey both as part of the due diligence process and annually thereafter. This allows for the systematic monitoring of managers' performance.

3. Legal assessment and final decision

In the contract negotiations, Mandatum aims to ensure that the principles of responsible investment are implemented and may seek to influence the manager through engagement measures. For example, a two-party agreement may exclude sensitive sectors from Mandatum's investments or aim to increase the transparency of the fund's investments.

4. Active monitoring

ESG integration and development are regularly monitored and compared annually to other managers in the

Private Debt sub-segment. Based on the sustainability framework and the fund's positioning within the framework, more detailed and precise feedback can be given to the manager.

Results of the Private Debt ESG survey 2024

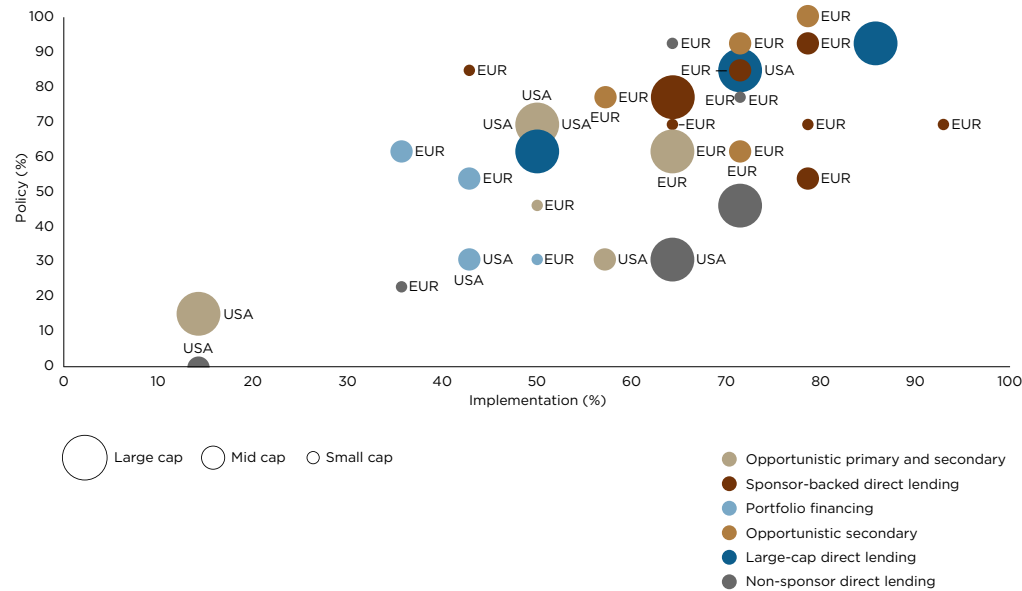
In 2024, a total of 23 fund companies administrating the target funds in the Private Debt programme responded to the ESG survey. Some of the companies managed more than one target fund of the Private Debt programme. The survey had a response rate of 100 per cent. Overall, 70 per cent of the administrating companies were located in Europe and 30 per cent in the United States.

Active engagement and increased interest from managers about ESG issues is reflected in the survey, as both the practical and policy areas saw a clear improvement from the previous year. In particular, reporting on ESG and sustainability-related issues saw improvement. In 2024, 68 per cent of managers said that they report regularly on the sustainability of their portfolio, an increase of 15 per cent from 2023. The carbon footprint of funds was also reported by 46 per cent of managers, compared to 32 per

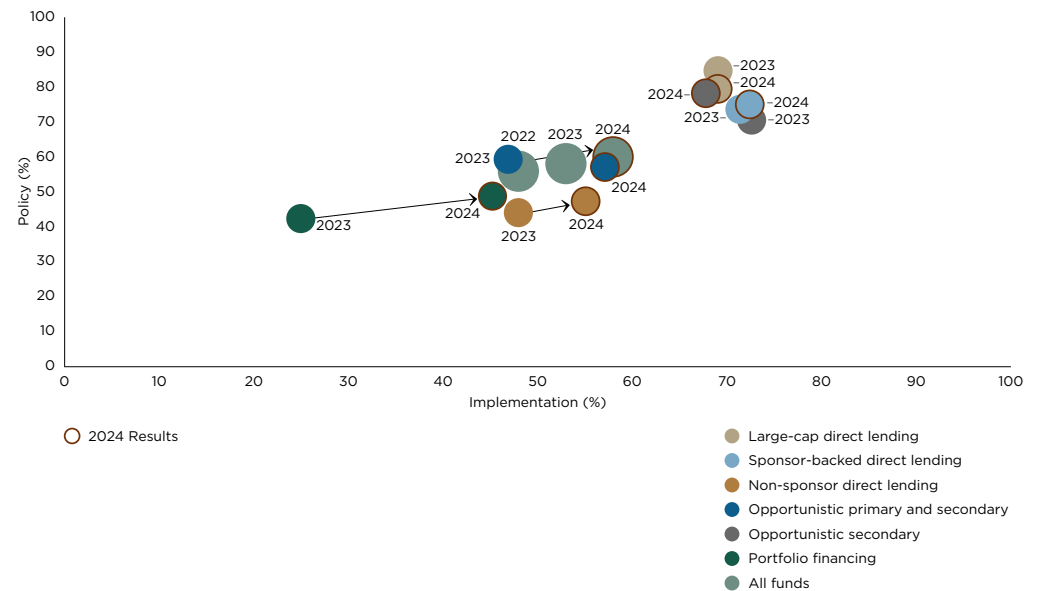
cent the previous year. Based on the survey, European target funds took ESG issues into consideration slightly better compared to those based in the US.

In 2024, Mandatum continued active investor engagement measures with fund managers. All managers were given personal feedback describing how their sustainability work compares against other funds and benchmarks in the Private Debt programme. Managers were given the opportunity to discuss the feedback based on their performance in the survey. In addition, ESG issues were actively brought up during the due diligence stage of new investments. In 2024, Mandatum held five feedback discussions with external fund managers and analysed and scored five potential funds during the due diligence stage. Other managers were also offered the opportunity to discuss the feedback in connection with the provision of personalised feedback.

Sustainability position of funds strongly dependent on segment and the manager's geographical location



Significant differences between strategies in ESG performance



Comparison is for illustrative purposes only. Holdings and allocations subject to change. Please note that the characteristics and ESG criteria of the compared target funds may differ from each other.

PRIVATE EQUITY INVESTMENTS

MAM Growth Equity (MAM GE) provides a growth platform for established and ambitious companies, where sustainability is considered a key part of the growth strategy. As part of its co-operation with the portfolio companies, MAM GE aims to create value by helping investee companies develop their ESG practices and monitor their implementation and results.

MAM GE helps established companies with proven business performance to embark on a new growth trajectory, with sustainability as a key driver. Sustainability work focuses on both the impacts of business activities and ESG practices as well as on identifying risks and opportunities. Another aim is to help companies define and achieve their sustainability goals. Sustainability considerations are integrated throughout the investment lifecycle, from investment analysis to exit and beyond. The implementation of sustainability in Private Equity investments can be divided into three phases: the pre-investment screening, holding period of the investment and the post-exit period.



Steps in the investment process

1. Pre-investment screening

The pre-investment due diligence process includes a comprehensive review of the investee company's industry, identified potential risks and prospects. Sector-specific ESG risks and opportunities for value creation are also identified, where possible. ESG due diligence consists of two parts: general questions defined by MAM GE and sector-specific questions. Sustainability objectives for the investee companies are determined based on the due diligence review and subsequent analyses.

2. Holding period

ESG topics identified during the investment's holding period are promoted in the same way as other strategic aspects essential for growth. Objectives defined at the start of the holding period are addressed in collaboration with the Board of Directors and other management and in various working groups, and their performance is monitored. The value created by the promotion of ESG factors is demonstrated during the holding period.

3. Post-exit period

The post-exit objective is that ESG practices are integrated into the company's operations as an integral part of the growth story, and that they are maintained in the company after exit.

Measuring and reporting ESG results is part of the ESG programme. The development of reporting aims to take into consideration future regulatory obligations (including the SFDR), the expectations of investee companies' clients and the reporting requirements of Mandatum and other investors. The development of sustainability reporting is supported according to the resources of the company; smaller companies have fewer resources, and the aim is not to create burdensome reporting templates. Sustainability performance therefore cannot be assessed based on reporting alone. Essentially, the aim is to be a trusted partner to investee companies in identifying and developing sustainability objectives and practices and engaging with companies through ownership practices.

The net impact model by the Upright Project is used to review and analyse both individual investee companies and the portfolio as a whole.

CASE

MAM GROWTH EQUITY II FUND INVESTS IN INTEGRATA, AN HR AND PAYROLL TECHNOLOGY COMPANY

In August 2024, Mandatum's MAM Growth Equity II fund* invested in Integrata, a Finnish HR and payroll technology company that provides innovative digital solutions that enhance employee experience and business processes. Integrata's range of services includes modern HR and payroll platforms for automated reporting, analytics and management. These tools help companies improve operational efficiency and allocate resources to more strategic tasks.

One of the advanced solutions offered by Integrata is an ESG reporting tool that enables companies to monitor and manage environmental and social responsibility using HR data. The platform integrates ESG data as part of HR reporting and provides companies with a comprehensive view of diversity, pay equity and employee well-being, among other areas. The solution helps companies meet increasing regulatory requirements and develop sustainable practices.

"Integrata offers a unique combination of HR and payroll expertise and technological innovation. Their solutions, such as the ESG reporting tool, not only meet current requirements but also help customers discover sustainable and smart ways to develop their business," says **Rami Salonen**, Portfolio Manager in the Growth Equity team.

*MAM Growth Equity II Fund complies with the sustainability disclosure obligations under Article 8 of the SFDR.

EQUITY AND BOND INVESTMENTS

Key means for addressing ESG and sustainability in the equity and bond investments of Mandatum's own strategies include assessing the financial impacts and risks of sustainability factors as part of the investment analysis. The investment analysis makes use of analytics by Sustainalytics and ISS ESG and the net impact model by the Upright Project.

Mandatum tracks the greenhouse gas emissions of investments and the weight and performance of companies in its portfolios that derive revenues from fossil fuels. Investments are also regularly monitored for violations of international norms, such as the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises. Mandatum strives to engage with the investee company if violations are detected. The emissions of investments have been significantly reduced through measures taken within the portfolio, including company selection and investments in lower-emission sectors.

Mandatum's Responsible Investing Policy includes minimum restrictions and exclusion criteria for sensitive sectors and product groups. These are followed in direct equity

and fixed income investments that comply with Articles 8 and 9 of the SFDR. Sensitive sectors include controversial weapons, coal, tobacco, adult entertainment, gambling, military equipment and oil. Stricter exclusion criteria may also be defined on a product-by-product basis.

The three-step investment process for equity and bond investments in Mandatum's own strategies includes an assessment of ESG factors as part of each step.

Steps in the investment process

1. Preliminary review

In the first stage, the compatibility of the company's sustainability principles with the strategy is evaluated and investments that do not meet the criteria defined in the Responsible Investment Policy for the sector or product group are excluded.

2. Investment analysis

The purpose of the investment analysis is to identify potential ESG risks and opportunities. In bond investments, this step also includes a risk assessment of the investee company and documentation related to the loan.

In the case of an entirely new company or an investment with elevated risk, the analysis and identification of risks are more thorough and the investment decision may be referred to the Investment Committee.

3. Investment decision

In addition to the ESG analysis, assessments by external service providers, such as Sustainalytics and ISS, are taken into account in investment decisions. Investments in the portfolios are divided into four risk categories based on their ESG risk classification and monitored regularly. Depending on the risk category, the asset manager is required to take additional measures before an investment decision. If the risk category of an investment included in the portfolio changes, the investment is reassessed.

Equities and bonds as fund investments

Mandatum utilises its partners' solutions and external funds in markets where it does not possess special expertise. In general, passive index funds are used in markets where active portfolio management is seen as having little potential to create added value.

From the perspective of sustainability analysis, the essential difference between investments into external funds and direct equity and fixed income investments is that the company-level analysis and investment decision are outsourced to the fund manager. In these cases, consideration is given to the investment process applied by the manager administrating the target fund.

Mandatum assesses managers' commitment to responsible investment, investment and risk management processes, resources, reporting and compatibility with Mandatum's approach to responsible investment. The factors considered include compliance with international standards in the investment process, whether investments are screened from a sustainability perspective, what are the climate risks of the fund's investments and what types of active ownership measures the fund management company employs.

Net impacts of equity products based on information on 31 December 2024*

Mandatum AM Nordic Active Ownership

Net impact 12%	Society	+3.0
	Knowledge	-0.3
	Health	+0.3
	Environment	-2.4

Mandatum Stamina Equity Fund

Net impact 2%	Society	+3.1
	Knowledge	-0.4
	Health	+0.5
	Environment	-3.0

Mandatum AM Global Sustainable Equity

Net impact 22%	Society	+2.7
	Knowledge	-0.4
	Health	+0.8
	Environment	-1.9

*The products are disclosing under Article 8 of the SFDR. Mandatum AM Nordic Active Ownership and Mandatum AM Global Sustainable Equity are investment baskets owned by Mandatum Life. Mandatum SICAV-UCITS - Mandatum Stamina Equity Fund is a UCITS fund managed by Mandatum Fund Management S.A. The assessment is based on the situation of the portfolios as of 12/2024. Source: The Upright Project.

REAL ESTATE INVESTMENTS

Mandatum invests in both direct real estate investments and non-domestic properties through external funds. Both strategies seek significant emissions reductions while creating cost savings and value for investors, financiers and users of properties. Sustainability measures also improve tenant satisfaction and extend the life cycle of properties.

Both strategies support the company's overall sustainability goals and commitment to responsible real estate investing. Maintaining the integrity of this approach is reflected in the quality and sustainability of the investment portfolio in all markets in which the company operates.

Direct real estate investments

Mandatum's real estate investments are managed by Mandatum's real estate unit. Mandatum has long experience with direct real estate investments that require active management and offer development potential.

Direct real estate investments are investments in individual properties. This strategy provides an opportunity for local investor engagement and management. Direct

real estate investments make it possible to focus on the characteristics of individual properties and apply sustainability standards in line with the portfolio's investment strategy. The conversion of existing real estate stock to sustainable properties that take environmental factors into account is a key element in all portfolios. Properties managed by Mandatum are constantly carrying out investments to improve energy efficiency. All direct real estate portfolios use renewable or net zero green electricity. Additionally, the share of renewable district heating has been increased so only co-owned properties and sites where energy contracts are the tenant's responsibility are beyond the scope of renewable energy.

The majority of direct real estate investments managed by Mandatum is comprised of the following portfolios: Special common fund Mandatum AM Finland Properties II*, real estate on the balance sheets of Mandatum Group companies, real estate assets of Kaleva Mutual Insurance Company and Mandatum Life Vuokratontit I Ky.

The individual sustainability characteristics of each portfolio are taken into consideration already at the time of investment. In

direct real estate investments, sustainability-related measures seek to achieve significant emission reductions. At the same time, the goal is to achieve cost savings and increase the value of properties. In real estate investment, sustainability is often understood solely as measures aimed at improving energy efficiency. However, sustainability also encompasses issues such as measuring the carbon footprint and greenhouse gas emissions of properties, optimising water use and waste management, and social responsibility such as community influencing, environmental considerations and renewable energy. Sustainability measures also increase tenant satisfaction and affect the renegotiation and continuity of lease agreements.

In the asset management of direct real estate investments, the focus is on energy efficiency, climate change mitigation, water efficiency, recycling and waste reduction and offering sustainable, healthy and safe properties to tenants.

Biodiversity is supported and increased in

*Special common fund Mandatum AM Finland Properties II complies with sustainability disclosure obligations under SFDR Article 8.

the properties where possible. Opportunities to improve the property's natural values are evaluated as part of development projects and renovation projects of outdoor areas.

Real estate fund investments

Non-domestic real estate investments are made through externally managed funds. This strategy enables diversification across different markets and regions, which is a central part of the risk management of real estate investments. In its European Real Estate (ERE) programme investments, Mandatum makes use of external investment partners with strong local resources and a successful track record in real estate investments. Mandatum's approach favours closed-end real estate funds typically used by institutional investors, in which the fund manager is responsible for strategy and investment decisions.

In the selection of managers and funds, each partner selected for the ERE programme must pass a comprehensive sustainability assessment. The assessment covers the following areas, among others: compatibility of the strategy with Mandatum's sustainability considerations, the integration of ESG issues in investment and

risk management processes, the manager's general ESG competence, allocation of ESG resources, governance and responsible investment policy and the manager's membership in responsible investment organisations, including UN PRI and GRESB.

Regular reporting as an essential aspect of sustainability

MAM publishes annual sustainability reports on the ERE programme. In addition, the promotion of the ESG characteristics of products in accordance with Article 8 is reported in the periodic disclosures required by the SFDR. The sustainability report published each autumn covers topics such as current events in the ERE programme, information about the programme's ESG process, and an overview of the results of the ESG survey sent out to managers.

In its real estate fund investments within the ERE programme, Mandatum seeks to promote the manager's commitment to sustainability reporting on the properties and improved reporting on a case-by-case basis. Systematic improvement of sustainability reporting has also been defined as one of the key sustainability characteristics of the ERE programme.

The implementation and performance of sustainability characteristics in the ERE programme's investments are monitored at the level of individual investments with an extensive annual ESG survey sent out to external managers. The ESG survey of the programme is also sent to the manager during the due diligence stage of each new investment process. The ESG factors of target funds are scored based on an annual sustainability analysis. The analysis seeks to identify leading managers in the industry and assess how the size and strategy of the fund manager or fund influences sustainability. An anonymised summary report of the results of the ESG survey is provided to clients.

The energy performance of direct real estate investments is monitored and reported on. The investment process takes into account the sustainability factors of properties. Among other factors, the property's technical characteristics and energy efficiency potential, energy performance class, certifications and management methods of the property and contracting party, as well as risks related to the environment, climate conditions and the tenant's activities are assessed in the process.



In the investment strategy during the holding period, sustainability is emphasised both in terms of improving the technical features of the property as well as in tenant relations, the latter of which are measured, tracked and guided with the help of data.

Responsible real estate investment in 2024

Direct real estate investment portfolios managed by Mandatum seek to achieve net zero emissions according to the strategy of the respective portfolios no later than by 2030. In direct real estate investments, the sustainability goals set for the portfolio were promoted on several levels in 2024. In addition to the targets of the energy performance (TETS) agreements of properties, short-term energy reduction targets were set for the portfolios based on specific energy consumption. The targets are actively tracked and managed. The sustainability of portfolios was assessed using the Carbon Risk Real Estate Monitor (CRREM) tool, which analyses the performance of existing investments in relation to the 1.5°C and 2°C emission thresholds of the Paris Agreement.

In 2024, the certification rates of the portfolios were improved from the previous year. The certification rate of assets in the Mandatum AM Finland Properties II

fund increased from 37 per cent to 62 per cent. The BREEAM In-Use certificate with a rating of “Very Good” was applied to four previously uncertified properties in the direct real estate investment portfolio under Mandatum’s own balance sheet. Following these certifications, the certification rate of assets under management of the investment portfolio is around 58 per cent. In 2024, circular economy was promoted by reviewing processes and issuing sustainability guidelines for construction projects, among other measures.

Essential characteristics of social sustainability at Mandatum include tenant satisfaction, fostering existing lease agreements, smooth communication and the health, safety and accessibility of properties. In addition, sustainable mobility is promoted at the properties by offering bicycle parking and electric vehicle charging stations for tenants, among other means. Tenant satisfaction in the portfolios is assessed annually. In a survey carried out by KTI Finland for shopping centres, shopping centre Espen in Vaasa owned by Mandatum’s special common fund achieved first place in overall tenant satisfaction. A total of 26 shopping centres around Finland participated in the survey conducted in 2024.

Direct properties managed by Mandatum achieved the best star rating in the 2024 UN Principles of Responsible Investment (UN PRI) Assessment. This highlights the company’s strong commitment to sustainable and responsible investment.

Maintaining and promoting biodiversity where possible has been identified as a significant aspect of responsible real estate investment. Mandatum has engaged in systematic efforts in this area, and during 2025, Mandatum will outline its targets for the promotion of biodiversity as part of active management and real estate investment.

Results of the GRESB assessment 2024

The annual GRESB (Global Real Estate Sustainability Benchmark) assessment examines the sustainability of properties across the entire real estate portfolio. The GRESB assessment covers themes such as energy and water consumption, waste volume, greenhouse gas emissions, risk management, stakeholder engagement and overall corporate sustainability reporting, principles and management. GRESB reporting has been carried out since 2019 for Mandatum’s direct real estate investments and the special investment fund Mandatum AM Finland Properties II, which is managed by

Mandatum AM AIFM Ltd (MAM AIFM).

Mandatum AM Finland Properties II improved its ranking and achieved a full five stars in the 2024 GRESB assessment. It came in third place among both its Finnish and European peers. Mandatum’s direct real estate investments maintained the four-star rating they have held since 2020. Both Mandatum’s direct real estate investments and the Finland Properties II special common fund retained the Green Star designation as recognition for high scores in leadership and sustainability measures in the GRESB assessment.

GRESB has been recognised as a useful tool to assess the sustainability of Mandatum’s real estate investments. Portfolio and property managers have adopted sustainability factors as an essential part of property management and value creation.

ESG Survey Results of the ERE Programme

In 2024, a total of 14 real estate investment managers participating in the ERE programme responded to the ESG survey. Some of the fund management companies managed several funds included in Mandatum's ERE programme. The survey had a response rate of 100 per cent.

The 2024 version of the survey showed clear improvement in the "Goals and incentives" section, which included questions related to emissions reduction, ESG-linked remuneration and sustainability engagement measures. For example, 55 per cent of managers have announced an organisation-wide net zero emission target, compared to 35 per cent in the 2023 survey.

In 2024, Mandatum continued its active work by improving the feedback materials aimed at managers and by organising feedback discussions for managers based on their performance in the survey. The focus on sustainability assessments and feedback have been important, and the annual surveys show a clear positive trend in managers' performance.

A clear positive trend can be seen in managers' performance



Comparison is for illustrative purposes only. Holdings and allocations subject to change. Please note that the characteristics and ESG criteria of the compared target funds may differ from each other.

CASE

MANDATUM'S REAL ESTATE FUND ACHIEVED FULL FIVE STARS IN GRESB ASSESSMENT

The special common fund Mandatum AM Finland Properties II, managed by Mandatum, boosted its ranking and received five stars in the Global Real Estate Sustainability Benchmark (GRESB) assessment in 2024. This puts the fund in third place in its peer group both in Finland and in Europe.

As recognition of good management and sustainability work, Mandatum's direct real estate investments and the special common fund Finland Properties II both received the Green Star designation in the GRESB assessment again this year.

"We are thrilled with this outcome. Thanks go to the entire team, who have carried out active sustainability work to, among other things, improve the energy efficiency of properties, develop and implement ESG processes and maintain tenant satisfaction," states **Emilia Riikonen**, Head of Real Estate Investments at Mandatum.

In the annual GRESB assessment, sustainability is examined as a whole on a portfolio-specific basis. The assessment includes,

for instance, energy and water consumption, carbon footprint, waste volumes, greenhouse gas emissions, risk management, corporate social responsibility, stakeholder co-operation and, extensively, ESG reporting, principles and management.

Sustainability factors are included in the company's real estate strategies as an important part of real estate management, impacts and value creation. In 2024, great efforts were made to promote responsibility in all portfolios. Several development projects have been under way, such as the adoption of renewable energy sources, increasing the environmental certification of properties and enhancing transparent ESG reporting. An additional focus has been on engaging stakeholders and integrating sustainability into all areas of real estate management and development.

"Our professional and committed network of partners, which specializes in real estate management, renting, care and maintenance has played a key role in developing and implementing new sustainable solutions," Riikonen continues.

4

CLIMATE CONSIDERATIONS IN INVESTMENT ACTIVITIES



CLIMATE CONSIDERATIONS IN INVESTMENT ACTIVITIES

Climate change mitigation and adaptation have been identified as sustainability topics relevant to Mandatum's investments. Mandatum's investee companies both influence sustainability factors and are affected by risks and opportunities associated with sustainability factors.

POLICIES, COMMITMENTS AND GOALS FORM THE BASIS FOR CLIMATE CONSIDERATIONS

Climate issues are incorporated in Mandatum's sustainability strategy and key policies, including the Responsible Investment Policy and Code of Conduct. Mandatum is committed to the UN Global Compact and Mandatum Asset Management to the UN Principles for Responsible Investment (UN PRI).

In 2024, Mandatum committed to striving towards net zero emissions from its investments by 2050. To achieve this target, the company joined the Net Zero Asset Managers (NZAM) initiative, an international group of asset managers committed to this goal. The initiative aims to promote sustainable investment and to address climate change challenges by reinforcing responsible investments. Following this commitment,

Mandatum has continued to define its emission reduction targets for the first asset classes and plans to publish them in 2025.

The strategic focus areas of investment impacts include aligning investment activities with the goals of the Paris Agreement and taking emission reduction targets and actions and biodiversity into consideration in investment activities. Another aim of the company is to phase out coal (companies that derive more than 5 per cent of their revenue from coal) from direct equity and fixed income investments by 2030 and oil (companies that derive more than 5 per cent of their revenue from oil) by 2040.

CLIMATE CONSIDERATIONS IN PRACTICE AS PART OF RESPONSIBLE INVESTMENT ACTIVITIES

By carefully analysing investment opportunities based on climate-related criteria, Mandatum aims to both address climate risks and opportunities and be part of the solution to the climate crisis. Exclusion criteria for selected sensitive industries have been set, with the aim to both manage risks and mitigate negative sustainability impacts. In addition to exclusionary screening, the company seeks to identify companies that

offer solutions to the climate crisis.

Mandatum's aim is to reduce exposure to the fossil fuel industry while investing in companies that produce energy from renewable sources or have a clear and credible strategy to transition from fossil fuels to a more sustainable business model. As part of the assessment of companies in transition, Mandatum evaluates factors such as companies' emission reduction targets, distribution of energy production and share of renewable energy and plans to increase business based around renewable energy.

Mandatum's investment products that promote environmental or social characteristics and sustainable investment products take principal adverse impacts into consideration, defined for each product. These include, but are not limited to, the carbon footprint and carbon intensity of investee companies and the share of companies operating in the fossil fuel industry. In direct equity and fixed income investments, exposure to fossil fuels is monitored on a quarterly basis.

Mandatum seeks to engage with investee companies on sustainability issues as an active owner by meeting with the

management of investee companies and through dialogue, voting and pooled engagement with other investors.

EMISSIONS FROM INVESTMENTS AS AN IMPORTANT TOOL IN UNDERSTANDING THE CLIMATE IMPACT AND CLIMATE RISKS OF INVESTMENTS

Addressing climate change and reducing emissions from investments is a priority of responsible investment at Mandatum. The greenhouse gas emissions of investments are monitored by means of several metrics to understand the climate impacts and associated transition risks of investments and to report on climate impacts.

The metrics used include absolute emissions, carbon footprint proportional to the exposure of the investment and greenhouse gas emissions intensity of investee companies, which describes emissions in relation to the company's revenue. This information is reported as part of reporting on principal adverse impacts on sustainability factors in accordance with Article 4 of the SFDR.

The investment emissions as reported in the Sustainability Statement of the Report of the Board of Directors for 2024 amounted

to 6,089,555 metric tonnes of CO₂ equivalent. Mandatum has taken into account the principles and requirements of the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard, as well as the Partnership for Carbon Accounting Financials (PCAF) standard (GHG Accounting and Reporting Standard for the Financial Industry) in its emissions reporting for investments.

The positions used in the calculation of financed emissions are based on the situation as of 31 December 2024, or the most recent available data. The calculation of financed emissions includes Scope 1, 2 and 3 emissions of the investees within the limits of data availability. Mandatum's investments include the investments of Mandatum Life Insurance Company, the portfolios managed for clients by Mandatum Asset Management, the funds managed by Mandatum's fund management companies

(UCITS and AIFM), as well as the joint product of Mandatum Asset Management and Universal Investment, whose portfolio management is handled by Mandatum Asset Management. Additionally, the company's investments include holdings in Keskinäinen Vakuutusyhtiö Kaleva, Saxo Bank A/S and Enento Group Oyj.

The primary sources of emissions data were the databases of ISS ESG and, secondarily, the Upright Project. The emissions calculation for direct real estate investments is based on actual energy consumption data. In the reporting of financed emissions for 2024, the coverage of emissions data is 59 percent, taking into account instruments such as cash and derivatives for which financed emissions are not calculated. In the calculation of financed emissions, 42.8 percent of the base data was based on reported information and 14.8 percent on estimated information.



Average carbon intensity of Mandatum's investment products 2021-2024

Product name	2024		2023		2022		2021	
	Average carbon intensity (tCO ₂ e/MEUR)*	Coverage (% of assets)	Average carbon intensity (tCO ₂ e/MEUR)*	Coverage (% of assets)	Average carbon intensity (tCO ₂ e/MEUR)*	Coverage (% of assets)	Average carbon intensity (tCO ₂ e/MEUR)*	Coverage (% of assets)
Equity investments								
Global Sustainable Equity	26	100%	31	99%	41	98%	48	97%
Nordic Active Ownership	16	90%	18	94%	23	81%	-	-
Nordic Equity	45	98%	33	100%	54	100%	104	74%
Stamina	103	93%	62	96%	86	93%	88	92%
Fixed income and loan investments								
Money Abs	30	35%	93	19%	185	31%	575	31%
Mandatum Money Portfolio**	-	-	101	43%	126	39%	418	45%
Fixed Income Portfolio	63	79%	107	74%	125	79%	213	76%
Nordic High Yield	98	87%	108	77%	154	87%	182	87%
UI - Mandatum AM Senior Secured Loan Fund	28	100%	56	100%	44	100%		
Senior Loan Strategy	28	99%	48	79%	45	87%		
Opportunistic Loan Strategy	29	100%	52	85%	47	86%		
Mandate portfolios								
Mandatum Mandate Fixed Income	73	39%	112	48%	184	39%	446	47%
Mandatum Mandate 25 Broad	69	47%	91	56%	140	49%	379	52%
Mandatum Mandate 50 Broad	66	58%	76	66%	112	60%	309	58%
Mandatum Mandate 80 Broad	63	73%	62	77%	89	74%	224	65%
Mandatum Mandate Equity Broad	63	73%	58	78%	82	76%	215	64%
Mandatum Mandate 25 Narrow	69	49%	92	59%	143	50%	372	54%
Mandatum Mandate 50 Narrow	67	62%	78	69%	115	63%	299	61%
Mandatum Mandate 80 Narrow	64	81%	65	82%	95	77%	211	69%
Mandatum Mandate Equity Narrow	63	95%	58	92%	83	90%	152	75%

*Average carbon intensity is a way to measure the carbon risk of an investment portfolio. In carbon intensity, emissions are related to the company's revenue. The reported figure is the market value-weighted average of the carbon intensity of investments as of December 2024. The emissions include so-called Scope 1 and Scope 2 emissions, i.e., emissions from the company's operational activities and from the energy purchased by the company.

Sources: ISS ESG and The Upright Project. The products are investment options that can be linked to insurance policies issued by Mandatum Life.

** The Mandatum Money Portfolio investment basket was discontinued on 5 April 2024.

Average carbon intensity of Mandatum's investment products 2021-2024

Product name	2024		2023		2022		2021	
	Average carbon intensity (tCO ₂ e/MEUR)*	Coverage (% of assets)	Average carbon intensity (tCO ₂ e/MEUR)*	Coverage (% of assets)	Average carbon intensity (tCO ₂ e/MEUR)*	Coverage (% of assets)	Average carbon intensity (tCO ₂ e/MEUR)*	Coverage (% of assets)
Allocation products								
Mandatum Allocation Fixed Income	73	39%	112	48%	184	39%	446	47%
Mandatum Allocation 25	69	47%	91	56%	140	49%	379	52%
Mandatum Allocation 50	66	58%	76	66%	112	60%	309	58%
Mandatum Allocation 80	63	73%	62	77%	89	74%	224	65%
Mandatum Allocation Equity+	63	73%	58	78%	82	76%	215	64%
Mandatum Pension	66	48%	77	56%	115	50%	269	50%
Mandatum Pension+	62	52%	58	59%	82	56%	169	50%

*Average carbon intensity is a way to measure the carbon risk of an investment portfolio. In carbon intensity, emissions are related to the company's revenue. The reported figure is the market value-weighted average of the carbon intensity of investments as of December 2024. The emissions include so-called Scope 1 and Scope 2 emissions, i.e., emissions from the company's operational activities and from the energy purchased by the company.

Sources: ISS ESG and The Upright Project. The products are investment options that can be linked to insurance policies issued by Mandatum Life.

** The Mandatum Money Portfolio investment basket was discontinued on 5 April 2024.

5

BIODIVERSITY



BIODIVERSITY

During 2024, issues related to biodiversity continued to grow in importance together with factors related to climate change, as their impacts are interconnected.

Mandatum recognises that biodiversity impact assessment practices are constantly evolving and is committed to following and assessing the evolving guidelines and best practices in the field. In addition, the company looks for efficient methods to assess both the impacts of its investments on biodiversity on the one hand and their dependencies on biodiversity on the other hand.

In 2024, Mandatum strengthened its commitment to promoting biodiversity by investing in improving personnel competence in issues in this field. The ESG team at MAM took a course in how to consider biodiversity in investment operations and organised a training session for employees and asset managers involved in investments. The purpose of the training was to enhance employees' understanding of the significance of biodiversity in investment operations and to improve expertise in the subject within the organisation.

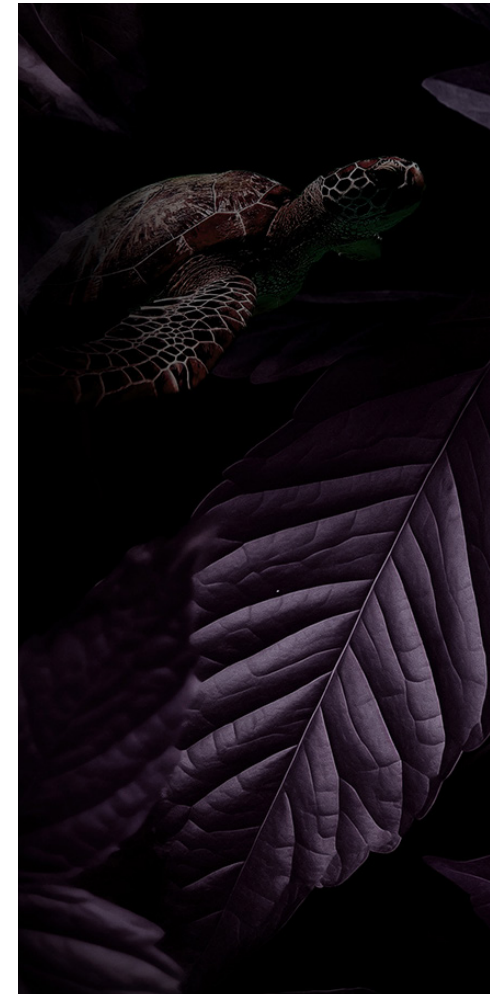
Biodiversity was incorporated into Mandatum's sustainability strategy in 2024. The company has also launched the drafting of a biodiversity roadmap for investments. The roadmap will define targets and measures for promoting biodiversity in investment operations, helping integrate biodiversity aspects more firmly into the decision-making process.

Mandatum has analysed the biodiversity risks and impacts of its direct equity and fixed-income products using an industry-based analysis. This analysis identified investments in industries that are significant for biodiversity. The key industries were defined in accordance with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD). TNFD is a framework designed for risk management and disclosure, enabling companies to report on nature-related risks.

In Mandatum's direct equity and fixed-income products, 35.7 per cent of investments were allocated to companies operating in industries significant to biodiversity. The sectoral distribution of these investments was as follows: consumer discretionary 5.0 per cent, consumer staples 2.3 per cent, energy 0.7 per cent,

healthcare 2.6 per cent, industrials 12.7 per cent, information technology 0.8 per cent, materials 5.4 per cent, real estate 5.3 per cent, and utilities 0.9 per cent. The sector-specific figures are reported according to the high-level GICS classification but are based on more detailed information about companies' industries, aligned with the key industries listed by TNFD. The analysis is based on the situation at the end of 2024, and ISS ESG data was used for industry classification. The coverage of the analysis is 88.6 per cent.

Additionally, the company has reported the exposure of its investments to biodiversity risks in its report on principal adverse impacts on sustainability factors. Of Mandatum's investments, one per cent was allocated to companies operating in areas sensitive to biodiversity, where their activities negatively impacted biodiversity.



The background is a dark, moody composition of dense foliage, likely ivy, with small, light-colored flower clusters. Two glowing blue jellyfish are visible: one on the left side, partially cut off, and another in the upper right quadrant, floating and emitting a soft blue light.

6

ACTIVE OWNERSHIP AND ENGAGEMENT

ACTIVE OWNERSHIP AND ENGAGEMENT

In general, Mandatum seeks to engage with its investee companies in accordance with its ownership practices but may choose not to engage with a company, for example, to avoid conflicts of interest.

Factors taken into consideration before the engagement process may include the materiality of the sustainability matter, the size of the investment, previous actions taken by the investee company and the company's geographic location. In particular, Mandatum takes into account climate change and other sustainability risks and factors in all its engagement measures and seeks to ensure that investee companies incorporate sustainability factors as part of their business strategy.

The three principal methods used in ownership practices to engage with investee companies include direct dialogue, pooled engagement and voting. Direct dialogue is the primary means of action especially with Nordic companies in which Mandatum has a significant share of ownership. Direct dialogue with management, Boards of Directors or other owners is done both proactively and reactively. The aim is to support companies in developing their operations in

order to identify opportunities and risks that are essential in terms of shareholder value and to ensure good governance practices. Discussions with investee companies and partners take place privately, which enables constructive dialogue even on sensitive topics.

Pooled engagement means taking measures to engage with the company as part of a group of several investors. It is generally used as a reactive means of engagement in case violations or suspected violations of international norms or other irregularities are detected in the investee company's operations. The aim of pooled engagement is to influence investee companies especially in situations where Mandatum's share of ownership in the company is minor. The initiative may be facilitated by Mandatum, another investor or a third-party provider.

Voting at shareholders' meetings is a form of engagement that is employed in addition to other measures.

In its PE portfolio companies, MAM has a very practical approach to promoting sustainability issues. MAM is represented on the Boards of Directors of investee

companies by at least one board member and one board observer. A person responsible for ESG issues is appointed to the Board of Directors, and ESG themes are on the board's agenda regularly in addition to the monitoring of ESG performance. During the year, ESG workshops were organised for new GE II investee companies, with the ESG team at MAM also in attendance. In addition, ESG themes were further discussed on two separate occasions with one of the companies.

In Private Debt and European Real Estate investments, the annual ESG survey and analysis are important for assessing the performance of external managers in terms of responsibility during the investment period. Additionally, based on the results of the ESG analysis, Mandatum can influence and promote the development of responsibility issues. Each manager receives a comprehensive analysis of their performance in the ESG survey. Furthermore, meetings are arranged with those managers with whom Mandatum wishes to discuss the development of ESG issues in more detail.

During 2024, MAM, the Group's asset manager, participated in a total of 52 pooled engagement initiatives in 29 different investee companies. The engagement

measures concerned human rights, the environment and labour rights. There were 29 active cases related to pooled engagement at the end of the year.

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DISCLAIMER

This Responsible Investment Review constitutes marketing material produced by Mandatum Group. This review describes sustainability aspects related to the Group's operations and financial products on a general level. For funds managed by Mandatum AM AIFM Ltd, sustainability disclosures are available on the company's website at the address below. Product-specific disclosures for investment baskets owned by Mandatum Life Insurance Company Limited are available at www.mandatum.fi/en/investments/.

To the extent stated separately, this marketing material concerns the Finnish special investment fund Mandatum AM Finland Properties II, which invests in real estate, and the fund Mandatum AM Growth Equity II Ky for professional investors ("GE II"), which invests in Nordic growth companies. Both funds comply with the disclosure obligations under Article 8 of the Sustainable Finance Disclosures Regulation (SFDR). The portfolio manager of both funds is Mandatum Asset Management Ltd (MAM), and the funds are managed by Mandatum AM AIFM Ltd (address: Bulevardi 56, P.O Box 1221, FI-00101 Helsinki, Finland). Before making any investment decision, investors must carefully familiarise themselves with the official fund documents. Official documentation of the special investment fund Finland Properties and a summary of the investor rights in English

(including collective actions for litigation at the European and national level) are available free of charge at www.mandatumam.com/mandatum-am-aifm. The special investment fund Finland Properties II is passported and authorised for sale in the following jurisdictions: Finland, Sweden, Norway, Denmark, the Netherlands, France and Spain. Marketing of the GE II fund is intended exclusively for professional investors in the EU/EEA countries where the fund is registered for distribution. Official documentation of the GE II fund is available from MAM upon request. The management company may terminate the agreements made for the marketing of the funds.

Mandatum Global Investment Fund SCSp SICAV-RAIF – UI-Mandatum AM Senior Secured Loan Fund is intended for professional investors only. MAM is the fund's portfolio manager. The fund is managed by Universal Investment Luxembourg S.A. The fund is a financial product in accordance with Article 9 of the SFDR. More information on the fund's sustainability aspects is available at Mandatum_Global_Investment_Fund_SCSp_SICAV-RAIF_UI-Mandatum_AM_Senior_Secured_Loan_Fund_Web-Dokument.pdf.

This marketing material applies to the Mandatum SICAV-UCITS fund based in Luxembourg and its sub-funds ("Fund"). The Fund is

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