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

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Product name: Special Investment Fund Mandatum AM Finland Properties II (non-ucits, AIF)
Legal entity identifier: 28125497#001
Publication date: 1.4.2025

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

This Fund promoted, among other characteristics, environmental and social characteristics or a combination of these characteristics, and the companies in which investments are made follow good governance practices in accordance with Article 8 of the Regulation on sustainability-related disclosures in the financial services sector. This product promoted environmental and/or social characteristics in the following ways:

1. Due diligence: Environmental and social characteristics are always included as part of ESG due diligence according to the guidelines. However, no investments were made in new real estate investment targets during the reporting period. The environmental and social characteristics to be promoted were taken into account in the initiated and completed divestment projects by providing the transferees with sufficient information about the promotion measures, so that the transferees can continue the measures in accordance with their own sustainability policies.

2. Monitoring of total energy consumption, monitoring of the use of renewable energy sources, investments in energy efficiency.

   The energy consumption of the fund's properties is continuously monitored, and any reasons for consumption anomalies are promptly investigated. The indoor conditions of the properties are optimized without compromising the healthiness of the spaces. The energy efficiency program, initiated in 2019, is promoted in properties identified as having potential for energy efficiency improvements or in conjunction with other renovation projects.

3. Sustainable Development Goals: The objective of the fund was to promote the achievement of two or more of the UN's Sustainable Development Goals. The fund promoted UN Sustainable Development Goal 13 (Climate Action) as an environmental characteristic and UN Sustainable Development Goal 8 (Decent Work and Economic Growth) as a social characteristic.

   Promotion of Sustainable Development Goal 13 (Climate Action) was carried out at the portfolio level by monitoring the greenhouse gas emissions of the Fund's investments. Promotion of Sustainable Development Goal 8 (Decent Work and Economic Growth) was carried out at the portfolio level by monitoring the satisfaction of tenants in the properties owned by the Fund.

4. Selection of Investments: The product adheres to the exclusion criteria defined in Mandatum's responsible investment policy and thus promotes certain minimum environmental and social requirements. Exclusions are made in sectors identified as the most sensitive in our responsible investment policy (including controversial weapons, coal, tobacco). The exclusion thresholds vary depending on the industry and whether the business is direct (production/manufacturing) or indirect (subcontracting/distribution).

How did the sustainability indicators perform?

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

As a significant sustainability indicator for climate actions, annual greenhouse gas emissions and their change compared to the previous year have been used. Additionally, energy consumption, the utilization of renewable energy, and the recycling rate of waste were used as indicators. As a significant sustainability indicator for decent work and economic growth, tenant satisfaction survey, that was based on tenant surveys or interviews, has been used.

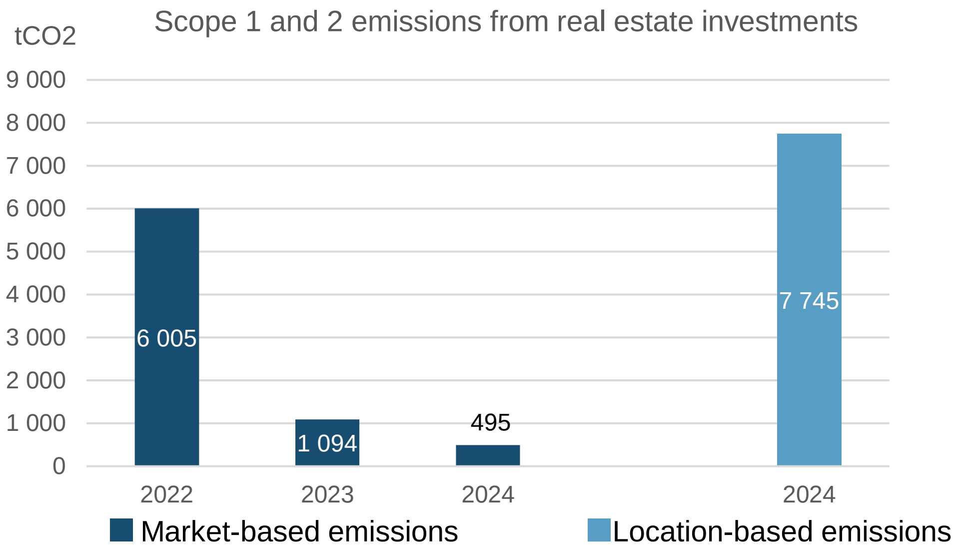
Greenhouse gas emissions

In 2024, the market-based scope 1 and scope 2 greenhouse gas emissions of the fund's investments were approximately 495 tCO_2, which is 55% less than in 2023. The market-based carbon footprint calculation takes into account the procurement of renewable energy. In 2023, the market-based scope 1 and scope 2 emissions of the fund's investments were 1,094 tCO_2, and in 2022, they were 6,005 tCO_2e. In the calculation of greenhouse gas emissions, the emissions from the electricity and heat consumption of the fund's real estate investments were taken into account according to the fund's ownership shares.

In the emission calculations, the own energy production of the real estate investments has also been taken into account. Five of the fund's investment properties have solar power plants that produce part of the properties' electricity consumption. The emission calculation is based on the GHG protocol, where the emissions from the energy consumption of the owned properties are primarily classified as scope 2 emissions. The calculation includes scope 1 and scope 2 emissions. Scope 3 emissions, which are directly the responsibility of the tenants, are excluded from the calculation. The calculation is based on actual energy consumption and covers 100% of the fund's properties.

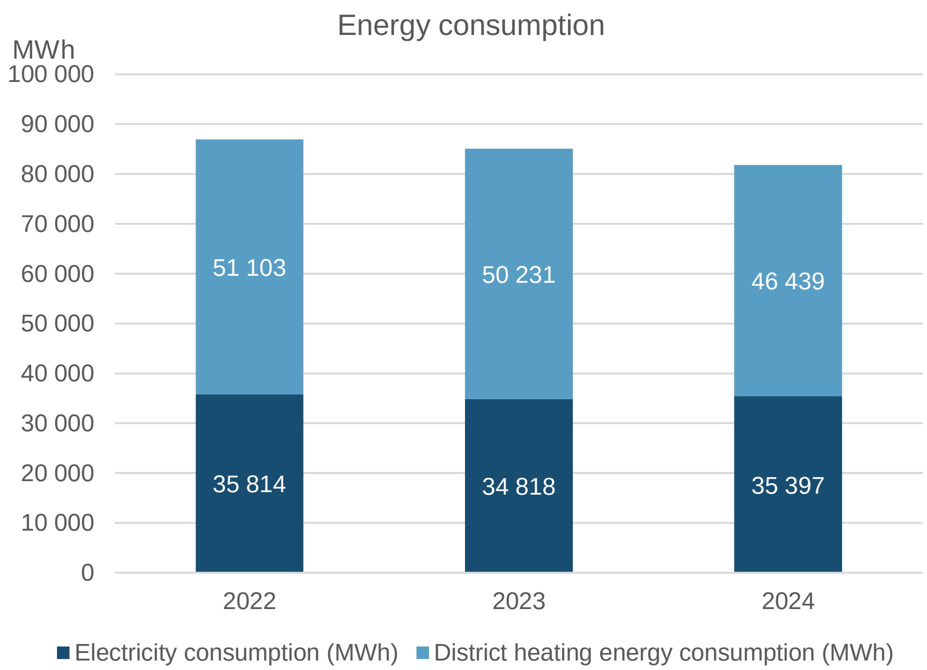
Market-based emissions take into account renewable electricity and heat production verified by guarantees of origin, resulting in energy consumption being calculated as zero emissions.

The emission factors used in the calculation of location-based emissions are based on the specific carbon dioxide emissions of electricity and heat production from Statistics Finland (benefit allocation method) averaged over the years 2021-2023.



Energy Consumption

The energy consumption data is based on the actual electricity and district heating energy consumption and covers 100% of the fund's properties. The figures take into account the fund's ownership share of the properties. Electricity consumption has remained very stable over the past three years. District heating consumption has decreased from 51,103 MWh to 46,439 MWh between 2022 and 2024.

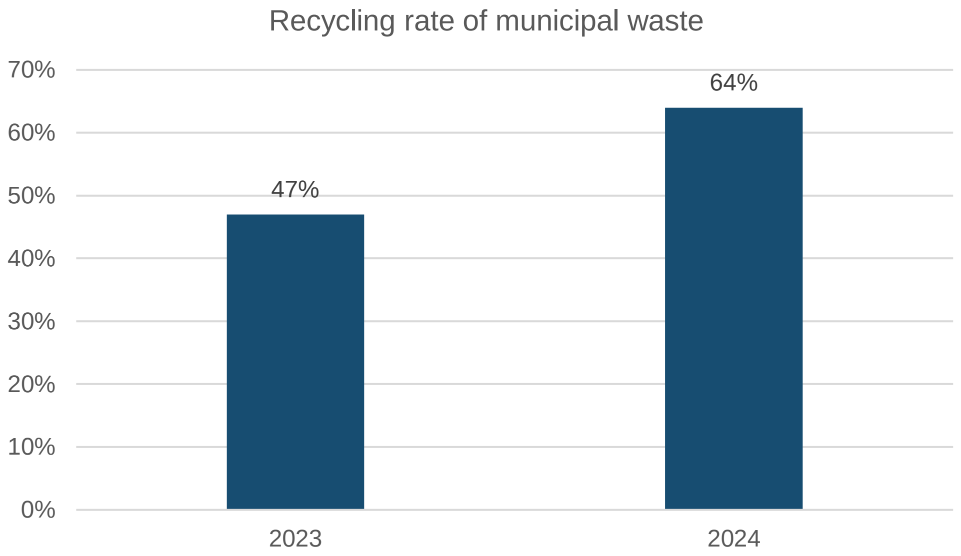


Utilization of renewable energy

Since 2019, renewable wind electricity has been purchased for all properties 100% owned by the fund. Additionally, the share of renewable district heating has been increased in 2024, so that only properties where energy contracts are the responsibility of the tenant are outside the renewable energy procured by the fund.

Recycling rate of waste

In 2024, approaches related to the circular economy were developed by updating processes and sustainability guidelines for construction projects. The special investment fund Mandatum AM Finland Properties II succeeded in increasing the recycling rate of municipal waste in the fund's properties from 47 percent to approximately 65 percent. The improvement of the recycling rate has been included in the annually updated business plans for each property, and cooperation with tenants has been enhanced to achieve this goal.



Tenant satisfaction

A tenant satisfaction survey was conducted for the fund's investment properties at the end of 2024. Based on the survey results, the Special Investment Fund Finland Properties II achieved an overall satisfaction score of 4.02, which is higher than the fund's ratings from the previous two years. According to the study, tenants were particularly satisfied with the rental relationship of the fund's properties, for which the fund received a score of 4.14 on a scale of 1 to 5. Tenant satisfaction has been measured in all properties owned by the fund during the years 2022–2024.

…and compared to previous periods?

The fund's rule change to promote environmental and/or social characteristics came into effect on December 19, 2023. Since the reporting period is the calendar year, precise information on the realization of the promoted characteristics for the approximately 10-day period between the rule change and the end of the calendar year is not available for all indicators. The fund also did not make any investments during the aforementioned period. Therefore, the past period was the first time the performance of sustainability indicators was measured. In 2023, the market-based scope 1 and scope 2 emissions of the fund's investments were 1,094 tCO_2, and in 2022, they were 6,005 tCO_2. Retrospective information on energy consumption and waste recycling rates is available from previous years. District heating consumption has decreased by a total of 4,664 MWh from 2022 to 2024. The recycling rate of municipal waste has increased from 47 percent to 65 percent between 2023 and 2024.

The EU Taxonomy sets out a "do not significant harm" principles by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principles applies only to those investment underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investment underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investment must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

This product took into account the following main adverse impacts by measuring and monitoring them: greenhouse gas emissions, exposure to fossil fuel-related risk through real estate assets, energy consumption, breakdown of energy consumption by type of non-renewable energy sources, exposure to risks related to energy-inefficient real estate assets, and waste generation in operations.

Principal Adverse Impacts (PAIs)	2024	2023	Unit	Coverage
Scope 1 GHG emissions generated by real estate assets	495	N/A	tCO2	100%
Scope 2 GHG emissions generated by real estate assets	0	N/A	tCO2	100%
Scope 3 GHG emissions generated by real estate assets	1 391	N/A	tCO2	100%
Total GHG emissions generated by real estate assets	1 886	N/A	tCO2	100%
Exposure to fossil fuels through real estate assets	0%	N/A	% of the fund's real estate assets	100%
Energy consumption intensity	0.23	N/A	Energy consumption MWh / m²	100%
Breakdown of energy consumption by type of non-renewable sources of energy: light fuel oil	2%	N/A	% of energy consumption of properties	100%
Exposure to energy-inefficient real estate assets	70.5%	N/A	% of the fund's real estate assets	100%
Waste production in operations	0%	N/A	% of the fund's real estate assets	100%

The figures for greenhouse gas emissions produced by real estate assets have been calculated on a market basis. Scope 1 emissions include fuel oil used in one property. Scope 2 emissions cover electricity and district heating for the properties. Scope 3 emissions include electricity and district heating related to tenants' own contracts. When calculating the share of non-renewable energy sources, only scope 1 and scope 2 energy consumption has been taken into account.

What were the top investments of this financial product?

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 1.1.2024-31.12.2024

Largest investments	Sector	% assets	Country
Koy Oulun Rautatalo (Pekuri)	Commercial property	11%	Finland
Koy Lahden Askotalot	Commercial property	9%	Finland
Koy Vaasan Espen	Commercial property	8%	Finland
Koy Helsingin Atomitie 5	Commercial property	7%	Finland
Koy Vantaan Autoprint	Commercial property	6%	Finland
Koy Ficre	Commercial property	6%	Finland
Rovaniemen Sampokeskus	Commercial property	5%	Finland
Koy Ruoholahden Metrotori	Commercial property	4%	Finland
PMK talo	Commercial property	4%	Finland
Koy Kuopion Kauppapaikka Hermanni	Commercial property	4%	Finland

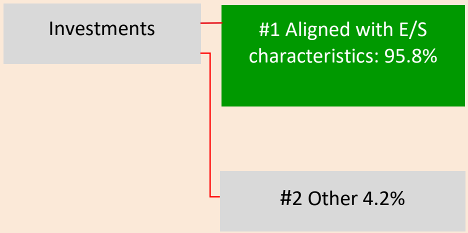
What was the proportion of sustainability-related investments?

0%. The fund did not make sustainable investments.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation ?

Allocation	2024	2023
#1 Aligned with E/S characteristics	95.8%	97%
#1A Sustainable	0%	0%
Taxonomy-aligned	0%	0%
#1B: Other E/S characteristics	95.8%	97%
#2 Other	4.2%	3%



#1 Aligned with E/S characteristics includes the investments of the financial products used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investment of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

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

In which economic sectors were the investments made?

The fund has made all its investments in commercial properties located in Finland.

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

0%. The fund's investment strategy is not to make Taxonomy-aligned sustainable investments.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU[1]?

☐ Yes:

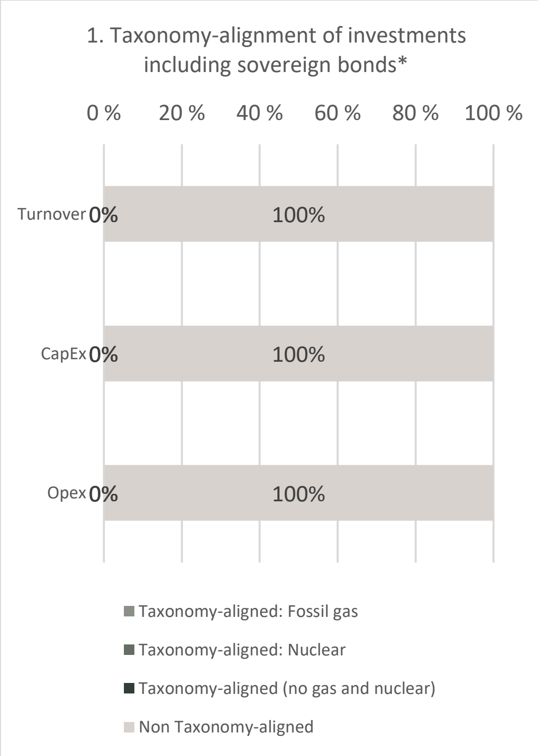
☐ In fossil gas ☐ In nuclear energy

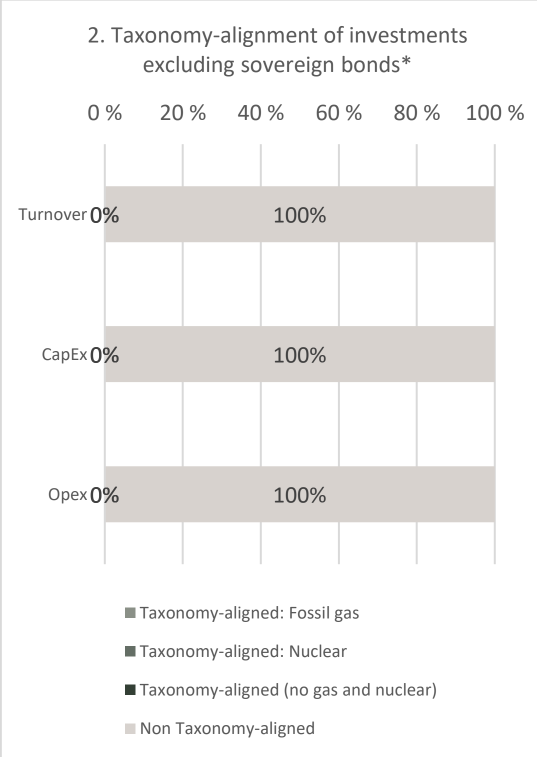
☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (” climate change mitigation”) and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





This graph represents 100 % of the total investments.

***For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.**

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

0%.

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

In 2023, taxonomy-alignment was 0%.

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

Section "#2 Other" includes cash, derivatives, and other fund assets that the fund uses to ensure the smooth implementation of its investment strategy. The regulation applicable to the fund, as well as its investment and operational activities, require the fund to have sufficient cash reserves. The derivatives consist of the fund's loan interest rate hedges. For cash and derivatives, the fund uses minimum safeguards by ensuring that counterparties comply with international norms and standards, including the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

Other assets of the fund include contracts that are assigned a separate value in the fund's valuation, such as the fund's electricity supply contract and the associated price hedges. Minimum safeguards are not applied to these contracts.

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

During 2024, the fund's properties' energy usage improvements were developed on several fronts, including the renewal of automation systems in several properties. This allows for more precise control of, among other things, the operation of ventilation systems. The benefits of these upgrades were observed fairly quickly as reduced energy consumption. The automation upgrades will continue in 2025. An energy manager monitors energy usage in the portfolio's properties. Additionally, in selected properties, the performance of the automation systems is analyzed by an external service provider from a remote-control center, allowing for quick intervention in case of equipment malfunctions and changes in consumption. During 2024, the fund implemented eight energy projects and initiated the implementation planning for two projects to be carried out in 2025. The combined estimated savings in energy consumption from these projects are approximately 4,600 MWh per year.

The fund continuously strives to improve tenant satisfaction and measures it annually. The results and areas for improvement from tenant satisfaction surveys are regularly reviewed with the tenants. A tenant satisfaction survey was conducted for the fund's investment properties at the end of 2024. Based on the survey results, the Special Investment Fund Finland Properties II achieved an overall satisfaction score of 4.02, which is higher than the fund's ratings from the previous two years. According to the study, tenants were particularly satisfied with the rental relationship of the fund's properties, for which the fund received a score of 4.14 on a scale of 1 to 5. Tenant satisfaction has been measured in all properties owned by the fund during the years 2022–2024. In 2022, the fund introduced a Green Lease appendix to lease agreements, which has been added to all new lease agreements. Additionally, tenants have been provided with the fund's sustainability guide and environmental program, and sustainability is discussed with them in regular tenant meetings.

The recycling rate has been improved through concrete and targeted measures, such as informing tenants about recycling practices and increasing the number of waste fractions collected. In 2024, the fund's recycling rate was successfully increased from 47 percent to 65 percent.