MANDATUM
ASSET MANAGEMENT

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Statement on principal adverse impacts of investment decisions on sustainability factors

Table 1

Financial market participant Mandatum Fund Management S.A. (LEI 5493002HIZQQVP6JNL03)
Summary Mandatum Fund Management S.A. (LEI 5493002HIZQQVP6JNL03) considers principal adverse impacts (“PAI”) of its investment decisions on sustainability factors in accordance with Article 4(1) of the Sustainable Finance Disclosure Regulation (EU) 2019/2088 (“SFDR”). This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January to 31 December 2025 and is reviewed annually by 30 June. Mandatum Fund Management S.A. is part of Mandatum Group (“Mandatum”). For the current reporting period, Mandatum has changed its PAI data provider. In previous reporting periods, data from two different data providers were combined and included a significant amount of estimated data. The change in data provider was implemented to improve data consistency and quality. As a result of this change, the current reporting period is not fully comparable with the previous reporting period. At Mandatum, PAIs are taken into account in alignment with the Responsible Investment Policy, which is reviewed and approved by relevant Mandatum Group companies’ boards of directors annually. According to the Responsible Investment Policy, Mandatum aims to consider and mitigate the principal adverse impacts of its investment decisions to the environment, climate, society, employees, respect for human rights, and anti-corruption and anti-bribery (“sustainability factors"). This means that Mandatum has incorporated sustainability into its investment operations, and its investment decisions take into account not only financial aspects, but also sustainability factors, as well as the related risks. The Responsible Investment Policy also describes Mandatum’s commitments to responsible investment, incorporation of a sustainability analysis into the investment processes, exclusion policies, and engagement activities. In addition, Mandatum Asset Management Ltd’s (“MAM”, LEI 743700CTALP9F3ZBBB71) Engagement Principles are applied to Mandatum’s investments. When investing in equities of exchange-listed companies in the European Economic Area, active engagement is conducted by participating and voting in general meetings, collaborative engagement and by contacts with the management of investee companies. Similar engagement activites can also be applied when investing in unlisted companies, investment funds, and in debt capital instruments, if applicable. Mandatum considers nine (9) mandatory “climate and other environment-related” indicators and five (5) mandatory indicators for “social and employee, respect for human rights, anti-corruption and anti-bribery matters” applicable to its investments in investee companies. In relation to investee companies, Mandatum considers also one (1) additional “climate and other environment-related” indicator and one (1) additional indicator for “social and employee, respect for human rights, anti-corruption and anti-bribery matters”. In addition, Mandatum considers two (2) mandatory indicators applicable to investments in sovereigns and supranationals and two (2) mandatory indicators applicable to investments in real estate assets.

Mandatum considers PAIs by monitoring and measuring PAIs as well as taking actions in relation thereto. The consideration is subject to data availability and quality, which Mandatum continuously aims to improve.

Mandatum's approach to identifying and prioritization of PAIs, as well as Mandatum's engagement policies, reference to international standards, and the availability of the historical comparison are addressed at the end of the table.

Description of the principal adverse impacts on sustainability factors

Mandatum considers nine (9) mandatory climate and other environment-related indicators and five (5) mandatory indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters applicable to investments in investee companies as well as two (2) mandatory indicators applicable to investments in sovereigns and supranationals and two (2) mandatory indicators applicable to investments in real estate assets as set out in Table 1.

In relation to investee companies, Mandatum considers also one (1) additional climate and other environment-related indicator as set out in Table 2 and one (1) additional indicator for social and employee, respect for human rights, anti-corruption and anti-bribery matters as set out in Table 3.

Indicators applicable to investments in investee companies						
Adverse sustainability indicator		**Metric**	**Impact 2025**	**Impact 2024**	**Explanation[1]**	**Actions taken, and actions planned and targets set for the next reference period**
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	55 372.30 tCO2e	67 569.67 tCO2e	Sum of portfolio companies' Carbon Emissions - Scope 1 (metric tons) weighted by the portfolio's value of investment in a company and by the company's most recently available enterprise value including cash (EVIC). Coverage 70.67%, reported 67.27% and estimated 3.40%.	Mandatum joined the Net Zero Asset Managers initiative in 2024 and committed to achieving net-zero emissions from its investments by 2050. In June 2025 the company set the first interim targets for the emissions from its assets under management. The aim is to reduce the Scope 1 & 2 weighted average carbon intensity of its direct listed equities and corporate bonds by 75 per cent by 2030, compared to the 2020 baseline. Mandatum will continue to report on the GHG emissions of its selected direct equity and fixed income investment products and work to reduce the GHG intensity of its investments over time.
		Scope 2 GHG emissions	23 215.27 tCO2e	21 990.71 tCO2e	Sum of portfolio companies' Carbon Emissions - Scope 2 (metric tons) weighted by the portfolio's value	

[1]Historical comparison with the previous reporting period is not fully comparable due to a data provider change.

					of investment in a company and by the company's most recently available enterprise value including cash (EVIC). Coverage 70.67%, reported 67.28% and estimated 3.38%.	The GHG emissions of selected investment products are determined annually and are monitored separately for investment baskets or funds and other applicable assets. By 2030, Mandatum aims to phase out investments in companies generating over 5% of their revenue from coal. By 2040, Mandatum plans to phase out investments in companies generating over 5% of their revenue from oil. During 2025, Mandatum participated in 22 pooled engagement initiatives in 13 different companies. The engagement measures related to themes such as climate, biodiversity, pollution, anti-competitive behaviour, and consumers' and workers' rights. During 2025, 3 engagement activities were climate related. There were in total 25 active cases related to pooled engagement at the end of the year. Mandatum will continue to engage with its service providers to ensure data quality and reliability.
		Scope 3 GHG emissions	691 094.08 tCO2e	937 873.92 tCO2e	Sum of portfolio companies' Total Emissions Estimated - Scope 3 (metric tons) weighted by the portfolio's value of investment in a company and by the company's most recently available enterprise value including cash (EVIC). Coverage 71.89%, reported 0.00% and estimated 71.89%.	
		Total GHG emissions	790 751.70 tCO2e	1 027 434.30 tCO2e	The total annual Scope 1, Scope 2, and estimated Scope 3 GHG emissions associated with the market value of the portfolio. Companies' carbon emissions are	

					apportioned across all outstanding shares and bonds (based on the most recently available enterprise value including cash). Coverage 69.70%, reported 0.00% and estimated 69.70%.	
	2. Carbon footprint	Carbon footprint	310.26 tCO2e per million EUR invested	458.89 tCO2e per million EUR invested	The total annual Scope 1, Scope 2, and estimated Scope 3 GHG emissions associated with 1 million EUR invested in the portfolio. Companies' carbon emissions are apportioned across all outstanding shares and bonds (based on the most recently available enterprise value including cash). Coverage 69.70%, reported 0.00% and estimated 69.70%.	
	3. GHG intensity of investee companies	GHG intensity of investee companies	554.04 tCO2e per million EUR of revenue	1 220.21 tCO2e per million EUR of revenue	The portfolio's weighted average of its holding issuers' GHG Intensity (Scope 1, Scope 2 and estimated Scope 3 GHG emissions/EUR million	

					revenue). Coverage 69.70%, reported 0.00% and estimated 69.70%.	
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	3.59%	2.07%	The percentage of the portfolio's market value exposed to issuers with fossil fuels related activities, including exploration, extraction, mining, storage, distribution and trading of oil and gas, production and distribution of thermal coal, and production, distribution, storage, and reserves of metallurgical coal, rebalanced by the sub-portfolio of corporate holdings. Coverage 72.30%, reported 72.30% and estimated 0.00%.	Mandatum monitored its direct equity and fixed income investments' exposure to the fossil fuel sector. New investments in the fossil fuel sector were made with prudence and consideration and portfolio exposures were monitored closely. In relation to direct fixed income and equity products disclosing under art. 8/9, Mandatum did not make new investments in companies that derive more than 5% of revenue from mining of coal or whose share of revenue from coal mining subcontracting or distribution of coal exceeds 30%, and in addition, Mandatum did not make new investments in companies whose share of revenues from coal-based energy production exceeds 30% unless the company had a clear strategy to transition to a more sustainable business model. Further, in relation to direct fixed income and equity products disclosing under art. 8/9, Mandatum did not make new investments in companies that derive more than 40%

						of revenue from exploration, extraction, production or refining and processing of fossil oil or the production of fossil oil-based energy, unless the company had a clear strategy to transition to a more sustainable business model. In 2025, one investment was classified as transitional. Mandatum's goal is to phase out coal (i.e. companies that derive more than 5% of their revenue from coal) from its direct equity and fixed income investment portfolio by 2030 and oil (i.e. companies that derive more than 5% of their revenue from oil) by 2040.
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a	57.07%	59.17%	The portfolio's weighted average of issuers' energy consumption and/or production from non-renewable sources as a percentage of total energy used and/or generated. Coverage 63.27%, reported 63.27% and estimated 0.00%.	Mandatum collected the data on the share of non-renewable energy consumption and production to gain insight into the principal adverse impacts of the investee companies.

		percentage of total energy sources				
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	A. Agriculture, forestry and fishing: 0.28 B. Mining and quarrying: 0.01 C. Manufacturing: 0.89 D. Electricity, gas, steam and air conditioning supply: 4.86 E. Water supply; sewerage, waste management and remediation activities: N/A	A. Agriculture, forestry and fishing: 0.000 B. Mining and quarrying: 0.004 C. Manufacturing: 0.061 D. Electricity, gas, steam and air conditioning supply: 0.159 E. Water supply; sewerage, waste management and remediation activities: 0.000	The portfolio's weighted average of Energy Consumption Intensity (GwH/million EUR revenue) for issuers classified within NACE Codes A, B, C, D, E, F, G, H, L. Coverage 48.28%, reported 48.28% and estimated 0.00%.	Mandatum collected the data on energy consumption intensity per high impact climate sector to gain understanding of the principal adverse impacts of the investee companies.

			F. Construction: 0.11 G. Wholesale and retail trade; repair of motor vehicles and motorcycles: 0.13 H. Transportation and storage: 1.62 L. Real estate activities: 0.65	F. Construction: 0.004 G. Wholesale and retail trade; repair of motor vehicles and motorcycles: 0.001 H. Transportation and storage: 0.005 L. Real estate activities: 0.030		
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies	4.67%	0.21%	The percentage of the portfolio's market value exposed to issuers' that either have operations located in or near biodiversity sensitive areas, are assessed to potentially negatively affect local biodiversity, and have no impact assessment; or they are involved in controversies with	The biodiversity impacts and risks of investments have been considered in the Sustainability Strategy, which set as a target in 2024 to evaluate and implement biodiversity tools and to assess own direct investment products with the help of these tools. As of 2025, the proportion of investment products for which a biodiversity assessment has been conducted has been used as a metric for the target.

		negatively affect those areas			severe impact on local biodiversity, rebalanced by the sub-portfolio of corporate holdings. Coverage 73.10%, reported 0.00% and estimated 73.10%.	During 2025, Mandatum has mapped biodiversity tools suited for assessing investment products, with criteria for the tool including science-based assessment methods. In the future, the target aims for a relative improvement compared to the baseline year. As part of the evaluation and screening of SFDR Articles 8 and 9 direct equity and fixed income investments, Mandatum assesses negative impacts on biodiversity based on international norms and standards breaches. During 2025, no breaches of international norms and standards related to biodiversity were detected in direct equity and fixed income products under Articles 8 and 9 of the SFDR. During 2025, Mandatum participated in 22 pooled engagement initiatives in 13 different companies. The engagement measures related to themes such as climate, biodiversity, pollution, anti-competitive behaviour, and consumers' and workers' rights. During 2025, 4 engagement activities were biodiversity related. There were in total 25 active cases related to pooled engagement at the end of the year.

						During 2025, Mandatum continued the work to draft a biodiversity roadmap for investment operations. The roadmap will define targets and actions for promoting biodiversity in investment operations, thus helping to integrate biodiversity aspects more firmly into the decision-making process.
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	1.38	0.0009	The total water emissions (metric tons) associated with EUR 1 million invested in the portfolio. It is calculated as the weighted average of Water Emissions (metric tons) per company divided by the company's most recently available enterprise value including cash (EVIC). Coverage 3.05%, reported 3.05% and estimated 0.00%.	Mandatum screened its direct equity and fixed income investments for possible breaches (including verified, past and suspected involvement) against international norms and standards, including those related to the environment and the incidents' effect on water quality. If a breach was detected Mandatum aimed to e.g., engage with the company directly or via collaborative enagegment or divest the investment, depending on the severity of the incident and how the company had responded to it. The evaluation was done on a case by case basis. No such breaches were detected during the reporting period.
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per	1.85	0.34	The total annual hazardous waste (metric tons reported) associated with 1 million EUR invested in the portfolio. Companies' hazardous waste is apportioned across all outstanding shares and	Mandatum screened its direct equity and fixed income investments for possible breaches (including verified, past and suspected involvement) against international norms and standards, including those related to the environment. If a breach was detected Mandatum aimed to e.g.

		million EUR invested, expressed as a weighted average			bonds (based on the most recently available enterprise value including cash). Coverage 20.18%, reported 20.18% and estimated 0.00%.	engage with the company directly or via collaborative enagegment or divest the investment, depending on the severity of the incident and how the company had responded to it. The evaluation was done on a case by case basis. No such breaches were detected during the reporting period.

INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS						
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.00%	0.71%	The percentage of the portfolio's market value exposed to issuers that fail to align with the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises based on MSCI ESG Research methodology, rebalanced by the sub-portfolio of corporate holdings. Coverage 74.57%, reported 0.00% and estimated 74.57%.	Mandatum screened its direct equity and fixed income investments for possible breaches (including verified, past and suspected involvement) against the UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises. If abuses or breaches related to these standards were observed in an investee company, Mandatum aimed to investigate the incident and take measures on a case-by-case basis. Depending on the severity, nature, and extent of the breach, portfolio management measures consisted of direct dialogue with the investee company's executive management, an engagement action or, as a last resort, divestment if the investee company did not respond to the engagement efforts and did not take measures to prevent the abuse or breach within a reasonable time frame. No such breaches were detected during the reporting period.

	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	1.13%	45.83%	The percentage of the portfolio's market value exposed to issuers that do not have at least one policy covering some of the UNGC principles or OECD Guidelines for Multinational Enterprises (e.g. human rights, labor due diligence, or anti-bribery policy) and either a monitoring system evaluating compliance with such policy or a grievance / complaints handling mechanism, rebalanced by the sub-portfolio of corporate holdings. Coverage 73.70%, reported 73,70% and estimated 0.00%.	Mandatum monitored the good governance practices of its (direct) investee companies and aimed to engage with the companies if there were a reason to suspect a lack of good governance processes/compliance mechanisms.
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	14.10%	20.65%	The portfolio holdings' weighted average of the difference between the average gross hourly earnings of male and female employees, as a percentage of male gross earnings.	Mandatum collected the data on unadjusted gender pay gap to gain understanding of the principal adverse impacts of the investee companies.

					Coverage 42.50%, reported 42,50% and estimated 0.00%.	
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	38.68%	33.31%	The portfolio holdings' weighted average of the percentage of female board members to total board members. Coverage 69.95%, reported 69.95% and estimated 0.00%.	Mandatum collected the data on board gender diversity to gain understanding of the principal adverse impacts of the investee companies.
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.00%	0.00%	The percentage of the portfolio's market value exposed to issuers with an industry tie to landmines, cluster munitions, chemical weapons or biological weapons. Note: Industry ties includes ownership, manufacturing and investments. Ties to landmines do not include related safety products. Coverage 73.86%, reported 73.86% and estimated 0.00%.	In direct equity and fixed income SFDR Article 8 and 9 products, there is a zero tolerance for investments in companies that derive revenue from controversial weapons defined in the SFDR RTS.

Indicators applicable to investments in sovereigns and supranationals						
Adverse sustainability indicator		**Metric**	**Impact 2025**	**Impact 2024**	**Explanation**[2]	**Actions taken, and actions planned and targets set for the next reference period**
Environmental	1. GHG intensity	GHG intensity of investee countries	221.62 tCO2e per million EUR of Gross Domestic Product	1.13 tCO2e per million EUR of Gross Domestic Product	The portfolio's weighted average of sovereign issuers' Country GHG intensity (tons CO2e/EUR M GDP). Coverage 86.46%, reported 86.46% and estimated 0.00%.	Mandatum collected GHG intensity data of investee countries to gain understanding of the principal adverse impacts of the investments in sovereigns and supranationals.
Social	2. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations	Absolute: 0.00 Relative: 0.00%	N/A	The portfolio's number and percentage of unique sovereign issuers with European External Action Service (EEAS) restrictive measures (sanctions) on imports and exports. Coverage 86.46%, reported 0.00% and estimated 86.46%.	Mandatum is committed to compliance with relevant sanctions laws in the jurisdictions in which it operates. Regarding investments, Mandatum has implemented screening procedures for both new and existing investments. Mandatum does not invest in companies or sovereign bonds which are subject to these types of sanctions. In addition, all new and existing investments are continuously screened for AML and adverse media events, such as information regarding anti-bribery and corruption violations. New investments to Russia and Belarus were excluded in the 2023 up-

[2] Historical comparison with the previous reporting period is not fully comparable due to a data provider change.

Indicators applicable to investments in sovereigns and supranationals						
Adverse sustainability indicator		Metric	Impact 2025	Impact 2024	Explanation[2]	Actions taken, and actions planned and targets set for the next reference period
		principles and, where applicable, national law				date of Mandatum's Responsible Investment Policy. The exclusion covers companies organized within Russia or Belarus and Russian or Belarusian sovereign bonds. Mandatum aims to develop its methodologies to gather data in relation to investee countries subject to social violations.

Indicators applicable to investments in real estate assets						
Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
Fossil fuels	1. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	N/A	N/A	Mandatum Fund Management S.A. Luxembourg did not make any investments in real estate assets.	Mandatum Fund Management S.A. did not make any investments in real estate assets.

Indicators applicable to investments in real estate assets						
Energy efficiency	2. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	N/A	N/A	Mandatum Fund Management S.A. Luxembourg did not make any investments in real estate assets.	Mandatum Fund Management S.A. did not make any investments in real estate assets.

Other indicators for principal adverse impacts on sustainability factors						
Table 2 **Additional climate and other environment-related indicators**						
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Adverse sustainability indicator	**Adverse impact on sustainability factors** **(qualitative or quantitative)**	**Metric**	**Impact 2025**	**Impact 2024**	**Explanation[3]**	**Actions taken, and actions planned and targets set for the next reference period**
Indicators applicable to investments in investee companies						
Water, waste and material emissions	9. Investments in companies producing chemicals	Share of investments in investee companies the activities of	0.25%	1.10%	The percentage of the portfolio's market value exposed to issuers classified as manufacturers of pesticides and other	Mandatum collected the data to gain insight into the principal adverse impacts of the investee companies.

[3] Historical comparison with the previous reporting period is not fully comparable due to a data provider change.

		which fall under Division 20.2 of Annex I to Regulation (EC) No 1893/2006			agrochemical products by NACE Group (NACE Group Code 20.2). Coverage 99.28%, reported 0.00% and estimated 99.28%.	

Table 3

Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters

INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS						
Adverse sustainability impact	**Adverse impact on sustainability factors (qualitative or quantitative)**	**Metric**	**Impact 2025**	**Impact 2024**	**Explanation[4]**	**Actions taken, and actions planned and targets set for the next reference period**
Indicators applicable to investments in investee companies						
Anti-corruption and anti-bribery	15. Lack of anti-corruption and anti-bribery policies	Share of investments in entities without policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption	1.09%	9.15%	The percentage of the portfolio's market value exposed to issuers without an anti-corruption and anti-bribery policy consistent with the United Nations Convention against Corruption. Coverage 72.36%, reported 72.36% and estimated 0.00%.	Mandatum collected the data on share of investments in entities without policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption.

[4] Historical comparison with the previous reporting period is not fully comparable due to a data provider change.

Description of policies to identify and prioritise principal adverse impacts on sustainability factors

Mandatum’s Responsible Investment Policy is reviewed, updated and approved annually. The latest policy was approved by relevant Mandatum Group companies’ boards of directors in December 2025.

Mandatum aims to consider and mitigate the adverse impacts of its investment operations to the environment, climate, society, employees, respect for human rights, and anti-corruption and anti-bribery (hereinafter sustainability factors). Therefore, Mandatum has incorporated sustainability into its investment operations, and the company’s investment decisions take into account not only financial aspects, but also sustainability factors, as well as the related risks (hereinafter sustainability risks).

Mandatum’s personnel adhere by its Responsible Investment Policy. The policy is intended as a guide for portfolio managers and for those participating in investment operations to take sustainability risks and factors into account in their day-to-day activities. The policy outlines the minimum level of measures taken to mitigate sustainability risks and adverse sustainability impacts. Stricter rules and engagement procedures can be applied to certain products or portfolios.

Mandatum’s asset manager MAM has a dedicated ESG team whose primary responsibility is to support investment functions on matters related to responsible investment. The team also monitors adherence to the Responsible Investment Policy and assists portfolio management when required. In addition, MAM has appointed a Head of Responsible Investments, who has overall responsibility for coordinating responsible investment across Mandatum.

All investment professionals are required to account for sustainability factors when selecting and monitoring investment objects. Portfolio managers and analysts are in the best position to understand the sustainability aspects of investee companies and business partners they are monitoring and to engage in a dialogue with management to influence matters. As part of their investment market monitoring, portfolio managers and analysts also look at how sustainability issues are incorporated in investor information and investment product offerings.

Mandatum conducted a double materiality assessment according to the Corporate Sustainability Reporting Directive (EU) 2022/2464 (“CSRD”) in H2/2023. The assessment included also principal adverse impacts to further specify the methodologies to select the indicators and how those methodologies consider the probability of occurrence and the severity of those principal adverse impacts, including their potentially irremediable character. The double materiality assessment is reviewed annually, and the latest update was conducted in 2025.

Mandatum has identified sensitive areas of business that are monitored through external service providers and internal company analysis. These sensitive areas include breaches of international norms and standards, non-compliance with sanctions laws, and involvement in sensitive industries. All direct fixed income and equity investments undergo monitoring, with their sustainability risks assessed based on these criteria. Additionally, indirect investments focusing on products with ESG characteristics are also subject to monitoring.

Mandatum relies on data received from investee companies, public sources, and third-party data providers. As described in the explanation columns in Tables 1, 2, and 3 related to specific indicators, the data coverage in PAI indicator calculations varies across different indicators.

Engagement policies

Mandatum Fund Management S.A.'s assets are managed by MAM, whose Engagement Principles are applied for Mandatum's investments. MAM's Engagement Principles describe its activities as an asset manager when investing in equities of exchange-listed companies in the European Economic Area. Active engagement can take place by participating and voting in general meetings, collaborative engagement, and by maintaining contact with the management of target companies.

Where applicable, these Engagement Principles are also applied when investing in unlisted companies, investment funds, and debt capital instruments.

References to international standards

Mandatum has identified sensitive areas of business that are monitored both through external service providers and through company analysis. The sensitive areas include breaches of international norms and standards, non-compliance with requirements under sanctions laws as well as involvement in sensitive industries. All direct equity and fixed income investments are monitored, and their sustainability risks are assessed based on these criteria. In 2025 Mandatum evaluated the alignment of its investments with international norms and standards primarily using ISS ESG, Sustainalytics, Refinitiv, and The Upright Project, depending on data availability and quality. For investment products primarily investing in unlisted loans of private companies, such as Mandatum's loan strategies, the data coverage by Sustainalytics and ISS ESG is considered limited. The Upright Project and Refinitiv are utilized to supplement these data gaps. Beginning with the preparation of the current Principal Adverse Impact statement, MSCI is used as the primary ESG data provider. MSCI data is also used for the ongoing monitoring of the sensitive areas described in this section during 2026 and forward.

Norm-based research, ESG Ratings, and adverse media screening rely partially on publicly available data, which is inherently retrospective. These tools are used to analyze how investee companies manage risks associated with their business sectors, assess their adherence to international standards, and evaluate their preparedness for future requirements, such as national climate goals.

Norm-based research: The investments are monitored based on international norms and standards laid down in international conventions, such as the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, the Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework, and the Paris Agreement on Climate Change. If abuses or breaches related to these standards and conventions are observed in an investee company, the incident is investigated, and measures are taken on a case-by-case basis. Depending on the severity, nature, and extent of the breach, portfolio management measures may consist of direct dialogue with the investee company's executive management, an engagement action or, as a last resort, divestment if the investee company does not respond to the engagement efforts and does not take measures to prevent the abuse or breach within a reasonable timeframe. Specifically, regarding the Paris Agreement on Climate Change, Mandatum monitors through norm-based research companies that lobby against climate action and have not been able to reduce their emissions. Mandatum's portfolio did not include these types of companies in the reference period.

Sanction screening: Mandatum is committed to compliance with relevant sanctions laws in the jurisdictions in which it operates. Regarding investments, Mandatum has implemented screening procedures for both new and existing investments. To ensure compliance with the requirements under sanctions laws, Mandatum screens its investment portfolio and investment counterparties against applicable sanctions lists, both before making an investment and on an ongoing basis. Mandatum does not invest in companies or sovereign bonds which are subject to these types of sanctions.

Sensitive industries screening: Certain industries are considered to carry more sustainability risks and cause more adverse sustainability impacts than others. Such risks include, for example, reputational risk, climate risks, and regulatory risks. Investments in industry sectors identified as sensitive are monitored regularly to identify potential sustainability risks and quantify them. Industries identified as sensitive include the manufacture or production of the following products or services, as well as the subcontracting or distribution of those products: adult entertainment, tobacco, gambling, controversial weapons, coal and oil. In addition to industry specific monitoring, Mandatum follows legally required exclusions (e.g., those required by domestic/international law, bans, treaties, or embargoes).
Historical comparison For the current reporting period, Mandatum has changed its PAI data provider. In previous reporting periods, data from two different data providers was combined and included a significant amount of estimated data. The change in data provider aims to improve data consistency and quality. As a result of this change, the current reporting period is not fully comparable with previous reporting periods.Mandatum Fund Management S.A. aims to analyse the difference between comparable reporting periods in its next statement which is due by 30 June 2027.