

STATEMENT ON PRINCIPAL ADVERSE IMPACTS OF INVESTMENT DECISIONS ON SUSTAINABILITY FACTORS

Financial market participant: Obsido Oy (2009249-1)

Date	Changes Made
1.8.2022	Principles created
30.6.2023	Added adverse impact indicators for the year 2022, updated principles
24.6.2024	Notification changed from individual financial market participant notifications to a consolidated group notification. Added adverse impact indicators for the year 2023, updated principles
23.6.2025	The notification was changed from a consolidated group notification to an individual notification by Obsido Oy. Adverse impact indicators for the year 2024 were added.

Summary

Obsido Oy (2009249-1) takes into account the principal adverse impacts of its investment decisions on sustainability factors. This is Obsido Oy's statement on the principal adverse impacts on sustainability factors.

This statement on the principal adverse impacts on sustainability factors covers the reference period from January 1 to December 31, 2024.

This statement reports the principal adverse impacts of Obsido Oy's managed asset portfolios' investment decisions on sustainability factors. Obsido Oy applies the shared principles of action of the Obsido Group Oy (2762356-6) in its investment decisions. The adverse impacts of investment decisions on sustainability factors are considered on a portfolio-specific basis when making investment decisions. The adverse impacts of investment decisions are assessed and monitored using the mandatory indicators defined in the SFDR disclosure regulation and two additional indicators selected by us. Data regarding adverse sustainability impacts of investments is obtained by Obsido Oy from the service provider Clarity.ai. Information on the adverse impacts of investment decisions is based on Clarity.ai's data, provided it is available in their database. If data related to investments is not available from the service provider, Obsido Oy endeavors to ascertain the information required by the indicators independently.

Description of the principal adverse impacts on sustainability factors

The mandatory indicators defined in the SFDR regulation are listed in Table 1 below. Additional indicators related to climate and the environment are listed in Table 2. Additional indicators related to social matters, employees, respect for human rights, and the prevention of corruption and bribery are listed in Table 3.

In 2024, the primary measure addressing adverse impacts has been the monitoring of indicators. When changing the investment targets of individual funds, the principal adverse impacts of the investment targets have been assessed alongside other factors during decision-making processes. In the coming years, Obsido Oy will continue to monitor the same indicators and annually evaluate the policies related to adverse sustainability impacts based on their development.

Table 1

INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES

CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS							
Adverse sustainability indicator	Metric	Impact 2024	Impact 2023	Unit	Explanation	Actions taken	
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	9238,92	6968,73	tonne CO2e	Coverage 98,77% Estimated 45,39% Reported 54,61%	Monitoring
		Scope 2 GHG emissions	2012,01	1566,32	tonne CO2e	Coverage 98,77% Estimated 45,14% Reported 54,86%	Monitoring
		Scope 3 GHG emissions	110513,31	74592,03	tonne CO2e	Coverage 98,35% Estimated 60,98% Reported 39,02%	Monitoring
		Total GHG emissions	122246,47	83261,58	tonne CO2e	Coverage 98,31% Estimated 62,96% Reported 37,04%	Monitoring
	2. Carbon footprint	Carbon footprint	568,75	548,80	tonne CO2e / EUR M invested	Coverage 98,31% Estimated 62,96% Reported 37,04%	Monitoring
	3. GHG intensity of investee companies	GHG intensity of investee companies	1064,90	1014,57	tonne CO2e / EUR M revenue	Coverage 98,33% Estimated 62,94% Reported 37,06%	Monitoring
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	9,38	9,72	%	Coverage 97,67% Estimated 0% Reported 100%	Monitoring
	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 percentage	Consumption: 52,006866	Consumption: 52,623302	%	Coverage 86,55% Estimated 3,42% Reported 96,58%	Monitoring
			Production: 1,3921498	Production: 1,320629	%	Coverage 98,33% Estimated 0% Reported 100%	Monitoring

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	Total:	0,33582875	Total:	0,32947385	GWh / EUR M revenue	Coverage 99,19% Estimated 58,44% Reported 41,56%	Monitoring
		Sector A:	0,002714801	Sector A:	0,002983518	GWh / EUR M revenue	Coverage 99,61% Estimated 41,65% Reported 58,35%	Monitoring
		Sector B:	0,07353147	Sector B:	0,07633044	GWh / EUR M revenue	Coverage 99,22% Estimated 54,38% Reported 45,62%	Monitoring
		Sector C:	0,09100318	Sector C:	0,09946358	GWh / EUR M revenue	Coverage 99,36% Estimated 59,91% Reported 40,09%	Monitoring
		Sector D:	0,11320802	Sector D:	0,10038497	GWh / EUR M revenue	Coverage 99,68% Estimated 53,99% Reported 46,01%	Monitoring
		Sector E:	0,001562972	Sector E:	0,001457364	GWh / EUR M revenue	Coverage 99,85% Estimated 65,01% Reported 34,99%	Monitoring
		Sector F:	0,000884209	Sector F:	0,000864498	GWh / EUR M revenue	Coverage 98,5% Estimated 58,63% Reported 41,37%	Monitoring
		Sector G:	0,004133979	Sector G:	0,00416208	GWh / EUR M revenue	Coverage 98,54% Estimated 59,6% Reported 40,4%	Monitoring
		Sector H:	0,018923532	Sector H:	0,022097968	GWh / EUR M revenue	Coverage 98,81% Estimated 49,19% Reported 50,81%	Monitoring
		Sector I:	0,029335953	Sector I:	0,02128379	GWh / EUR M revenue	Coverage 98,79% Estimated 59,95% Reported 40,05%	Monitoring

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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 negatively affect those areas	2,36	1,38	%	Coverage 97,8%	Monitoring, Additionally, Obsido Oy signed the Spring initiative under the UN Principles for Responsible Investment, aiming to protect biodiversity,
Water	8. Emissions to water	Tonne of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0,0052	0,0060	%	Coverage 32,27% Estimated 74,9% Reported 25,1%	Monitoring
Waste	9. Hazardous waste ratio	Tonne of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	40,68	50,68	tonne / EUR M invested	Coverage 96,42% Estimated 74,63% Reported 25,37%	Monitoring

INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION, AND ANTI-BRIBERY MATTERS

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Unit	Explanation	Actions taken
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	5,72	4,98	%	Coverage 97,8%	Monitoring
	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	0,43	0,46	%	Coverage 97,89% Estimated 0% Reported 100%	Monitoring
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	10,61	10,06	%	Coverage 54,57% Estimated 0% Reported 100%	Monitoring
	13. Board gender diversity	Average ratio of female to male board members in investee companies	31,18	29,03	%	Coverage 98,25% Estimated 0% Reported 100%	Monitoring

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

0,0105

0,0075

%

Coverage 98,4%
Estimated 0%
Reported 100%

Monitoring

INDICATORS APPLICABLE TO INVESTMENTS IN SOVEREIGNS AND SUPRANATIONALS

Adverse sustainability indicator		Metric	Impact 2024		Impact 2023		Unit	Explanation	Actions taken
Environmental	15. GHG intensity	GHG intensity of investee countries	30,50386		35,66826		tonne CO2e / EUR M GDP	Coverage 97,26% Estimated 100% Reported 0%	Monitoring
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations	Relative:	2,66	Relative:	1,33	%	Coverage 100% Estimated 0% Reported 100%	Monitoring
		(absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law	Absolute:	2,00	Absolute:	1,00	quantity	Coverage 100% Estimated 0% Reported 100%	

INDICATORS APPLICABLE TO INVESTMENTS IN REAL ESTATE ASSETS

Adverse sustainability indicator		Metric	Impact 2024		Impact 2023		Unit	Explanation	Actions taken
Fossil fuels	17. 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		%	Indicator data not available	-
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	N/A		N/A		%	Indicator data not available	-

Table 2

Additional climate and other environment-related indicators

CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS

INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES							
Adverse sustainability impact	Adverse sustainability impact (qualitative or quantitative)	Metric	Impact 2024	Impact 2023	Unit	Explanation	Actions taken
Emissions	4. Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement	52,56	55,91	%	Coverage 100% Estimated 0% Reported 100%	Monitoring

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

INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES							
Adverse sustainability impact	Adverse sustainability impact (qualitative or quantitative)	Metric	Impact 2024	Impact 2023	Unit	Explanation	Actions taken
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 antibribery consistent with the United Nations Convention against Corruption	0,49	1,07	%	Coverage 98,52% Estimated 0% Reported 100%	Monitoring

Description of policies to identify and prioritise principal adverse sustainability impacts

Sustainability factors refer to issues related to the environment, society, and employees, as well as respect for human rights and the prevention of corruption and bribery. An adverse sustainability impact refers to a harmful effect of an investment decision on the aforementioned sustainability factors. Adverse sustainability impacts include, for example, carbon emissions caused by the activities of investees, the degradation of biodiversity, and human rights violations.

Obsido Group Oy's subsidiaries, Obsido Fund Management Oy (2823365-8) and Obsido Oy (2009249-1), are responsible for identifying, assessing, and establishing policies related to principal adverse impacts. This responsibility is carried out by the internal ESG working group of the Obsido Group, which includes individuals working in portfolio management, risk management, compliance, and the operational management of the subsidiaries. The ESG working group evaluates and the company's board approves the policies annually. The practical application of the policies is managed by the portfolio manager when making portfolio-specific investment decisions.

The principles concerning the adverse sustainability impacts of investment decisions are integrated into all investment decisions made by Obsido Oy in portfolio management. In the identification and monitoring of adverse sustainability impacts, data produced by external parties is utilized if available for the investee. Obsido Oy uses data from the external service provider Clarity.ai regarding adverse sustainability impacts. For some investees, such as real estate and land investments, data may not be available, in which case the portfolio manager, in collaboration with the ESG working group, assesses the adverse sustainability impacts of investment decisions.

Obsido Oy widely utilizes diversified ETF index funds in its securities investments. Many large companies included in the indices are committed to significantly reducing greenhouse gas emissions in the coming years and operating in a manner that supports sustainable development. Thus, we believe that the adverse impacts of index investments on sustainability factors will decrease in the coming years. The adverse sustainability impacts of investment decisions are monitored internally by the company on an annual basis. We actively follow trends related to sustainability in capital markets and the development of sustainable investment strategies. The adverse impacts of all the company's investment decisions on sustainability factors are reported annually for the previous year by June 30 in accordance with the SFDR regulation.

The ESG working group is responsible for identifying the principal adverse impacts and selecting the related indicators. The selection of indicators involves evaluating and identifying the specific characteristics of the asset classes being invested in and the most relevant sustainability factors for them. The likelihood of the occurrence of principal adverse impacts is difficult to predict, which is why the assessment focuses on available information on realized adverse impacts. The assessment uses data produced by the service provider Clarity.ai. The ESG working group has identified greenhouse gas emissions as the most relevant adverse impact for Obsido Oy's investment activities. Therefore, an additional

indicator that measures the proportion of investee companies without initiatives to reduce carbon emissions has been chosen to address climate and environmental issues.

The reliability of the methods for identifying and measuring adverse impacts always depends on the quality and availability of the data used. Obsido Oy relies on data obtained from the outsourced service provider Clarity.ai and directly from investees in its operations. The data we use is based on information from investees and third parties, as well as the assessment of the outsourced service provider. If we detect discrepancies between different sources of information, we evaluate the usability of the data based on all available information and our judgment.

The board of Obsido Oy approved these policies on June 11, 2025.

Engagement policies

Obsido Oy has established engagement policies that are applied when there is an investment target that grants voting rights at a general meeting. Generally, the investment targets used by Obsido Oy are ETFs or investment funds that invest in ETFs, where the voting rights are held by the issuer of the security. Obsido Oy does not engage in proxy voting for ETF holdings.

Obsido Oy has not designated specific advocacy actions to reduce the principal adverse impacts, nor has it identified specific indicators related to adverse impacts for evaluating advocacy actions. Instead, adverse impacts and necessary measures are assessed on a case-by-case basis. Obsido Oy regularly monitors the development of adverse impacts and evaluates, based on this monitoring, whether it is necessary to amend the current advocacy policy.

References to international standards

Obsido Oy strives to invest in companies that adhere to internationally recognized standards for responsible business conduct, due diligence, and reporting. The key international initiatives monitored include:

- OECD Guidelines for Multinational Enterprises
- UN Global Compact initiative
- Universal Declaration of Human Rights
- ILO Declaration on Fundamental Principles and Rights at Work
- Rio Declaration on Environment and Development
- UN Convention Against Corruption

The implementation of these principles is monitored using indicators 10 and 11, which describe the principal adverse impacts in Table 1.

- 10. Violations of the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises
- 11. Lack of processes and mechanisms to monitor compliance with the UN Global Compact principles or the OECD Guidelines for Multinational Enterprises

The data source for the indicators is the external service provider Clarity.ai. These indicators monitor the adequacy of the processes related to international standards and the extent to which the investee companies violate international standards.

Obsido Oy does not use forward-looking climate scenarios in its investment activities. In our view, climate scenarios are not currently suitable for our investment strategies or the size and nature of our operations. However, we consider climate scenarios to be significant and monitor the commitment of investee companies to initiatives aimed at adhering to the Paris Agreement. This is done using additional indicator 4 in Table 2.

- 4. Investments in companies without initiatives to reduce carbon emissions