



**SUMMARY OF STATEMENT ON  
PRINCIPAL ADVERSE IMPACTS OF INVESTMENT  
DECISIONS ON SUSTAINABILITY FACTORS**  
PUBLISHED 14TH JULY 2026



EAST CAPITAL GROUP

**WORKING FOR POSITIVE CHANGE  
SINCE 1997**

## Statement on principal adverse impacts of investment decisions on sustainability factors

**Financial market participant** East Capital Asset Management (LEI:21380076GF79IHJFGS03) and East Capital Financial Services (LEI:549300FI05DYHTJ4QM91).

### Summary

East Capital Asset Management (LEI:21380076GF79IHJFGS03) and East Capital Financial Services (LEI:549300FI05DYHTJ4QM91), consider principal adverse impacts of their investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of East Capital Asset Management (ECAM) and East Capital Financial Services (ECFS) hereinafter referred to as “East Capital Group”, “we”, “us”.

This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January to 31 December 2025. We consider the mandatory and two voluntary principal adverse impact indicators on entity level by analyzing principal adverse sustainability indicators on investee and on an aggregated portfolio level. The assessment of the principal adverse impacts on sustainability factors is further described in East Capital Group’s ESG policy. Principal adverse impact indicators are considered in the ESG integration process and may influence active ownership practices, including but not limited to, engagements, voting instructions in shareholders’ general meetings where applicable as described in East Capital Group’s ESG Policy (Active Ownership- Voting and Engagement section). It should be noted that despite significant improvements over the last few years, the quality and availability of reported data relating to principal adverse impacts remain limited and constrain our ability to undertake quantitative and qualitative analysis. This issue is exacerbated for smaller companies, companies located and/or operating outside of the European Union, and companies in emerging and frontier markets, which represent a significant part of our investments. We strive to bridge quantitative data gaps through direct (individual or collaborative) engagement with issuers, publicly advocating for enhanced and consistent disclosures, as well as using specialist data providers, and actively participating in industry initiatives. Comparing 2024 to 2025, we observe that data coverage has improved across multiple indicators, most notably for greenhouse gas emissions and hazardous waste, while a number of other indicators have not improved in terms of coverage. We therefore advise exercising caution when comparing the two years, as variations in data quality and coverage may play a substantial role in the differences observed. Changes in how companies and data providers calculate certain figures have also affected the reported numbers; in particular, the methodology used to estimate Scope 3 greenhouse gas emissions has evolved, which is part of the reason for the increase in total emissions this year. Finally, two new funds, East Capital Global Emerging Markets and Espiria Sweden Small Cap, were added to the assessment during the period, and we expect them to contribute only a small change to the overall results.

### Description of the principal adverse impacts on sustainability factors

The mandatory indicators defined by the Sustainable Finance Disclosure Regulation (SFDR), outlined in Table 1, must be considered to ensure that adverse impact on key sustainability factors is taken into consideration. For each indicator, and subject to aforementioned limitations in data quality and availability, we have included a narrative to describe actions taken and action planned, and targets set for the next reference period to avoid and/or reduce principal adverse impacts, where applicable. This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January to 31 December 2025. This information is reported on an annual basis by 30 June at the latest.



|                                  |                                                                       |                       |                |                |                |                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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|                                  | Table 1<br>Indicators applicable to investments in investee companies |                       |                |                |                |                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Adverse sustainability indicator |                                                                       | Metric                | Impact 2025    | Impact 2024    | Impact 2023    | Explanation                                                                                                                                                                                                                                                                                                                              | 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 | 19955,37 tCO2e | 22092,91 tCO2e | 28833,25 tCO2e | Scope 1 includes greenhouse gas emissions that occur within the company's own operations, such as production in company-owned factories. These emissions are calculated using formula (1) as outlined in Appendix 1<br><br>The current data coverage rate is: 67,63%<br><br>Data coverage 2025: 56,53%<br><br>Data coverage 2024: 63,01% | In 2025, we upheld fossil fuel exclusions across all article 9 products and a defined subset of article 8 products, in line with our ambition to align our investments with the goals of the Paris Agreement. We monitored the carbon footprint of our portfolios through internal assessment tools and data from specialist third-party providers. Climate-related data was integrated into our proprietary tools and red flag analysis, |

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|  |  |                       |                 |                 |                 | Data coverage 2023: 58,96%                                                                                                                                                                                                                                                                                                                                                            | <p>helping us identify and assess holdings with material exposure to climate risks. We also intensified engagement with companies that are significant contributors to portfolio emissions, with a focus on those lacking adequate emissions disclosure or decarbonization strategies.</p> <p>During 2025, we took the decision to withdraw from the Net Zero Asset Managers initiative (Espiria brand). This does not change our commitment to understanding and reducing the climate impact of our investments. We continue to track, monitor and actively work with the greenhouse gas emissions of our portfolios, and to advocate for improved emissions transparency. We also further strengthened our internal processes for assessing and</p> |
|  |  | Scope 2 GHG emissions | 13447,51 tCO2e  | 13697,90 tCO2e  | 14471,51 tCO2e  | <p>Scope 2 includes the company's indirect greenhouse gas emissions from the production of purchased electricity, steam, heat, and cooling consumed by the company. Refer to formula (1) for this indicator in Appendix 1.</p> <p>The current data coverage rate is: 67,63%</p> <p>Data coverage 2025: 56,23%</p> <p>Data coverage 2024: 62,97%</p> <p>Data coverage 2023: 58,96%</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|  |  | Scope 3 GHG emissions | 527398,83 tCO2e | 301176,77 tCO2e | 193718,44 tCO2e | <p>Scope 3 includes all other indirect greenhouse gas emissions that occur in a company's value chain but are not owned or directly controlled by the company. This includes, for example, emissions from purchased</p>                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |



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|  |  |                     |                 |                 |                 | <p>materials or emissions from the use of the products the company sells. Therefore, Scope 3 is largely based on estimates. Calculations are done using formula (1) as outlined in Appendix 1.</p> <p>The current data coverage rate is: 62,50%</p> <p>Data coverage 2025: 52,53%</p> <p>Data coverage 2024: 62,24%</p> <p>Data coverage 2023: 59,13%</p> | <p>monitoring emissions data, in particular Scope 3, while continuing to support industry initiatives aimed at improving data consistency and availability. Our continued prioritisation of climate is reflected in our participation in collaborative initiatives such as Climate Action 100+, the Institutional Investors Group on Climate Change (IIGCC), CDP and the Principles for Responsible Investment (PRI). A full list of the associations, initiatives and pledges we support is set out in Appendix 6 of our ESG Policy.</p> <p>For the next reference period, our key objectives include improving the granularity and coverage of Scope 3 emissions data, continuing engagement with high-emitting companies to encourage credible</p> |
|  |  | Total GHG emissions | 557105,90 tCO2e | 334044,59 tCO2e | 235410,53 tCO2e | <p>Total emissions for Scope 1 + Scope 2 + Scope 3</p> <p>The current data coverage rate is: 62,46%</p> <p>Data coverage 2025: 52,53%</p> <p>Data coverage 2024: 62,24%</p> <p>Data coverage 2023: 59,13%</p>                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |



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|  | 2. Carbon footprint                                       | Carbon footprint                                                   | 458,74 tCO <sub>2</sub> e      | 382,13 tCO <sub>2</sub> e      | 310,05 tCO <sub>2</sub> e      | <p>Calculated using formula (2) as outlined in Appendix 1.</p> <p>The current data coverage rate is: 62,46%</p> <p>Data coverage 2025: 52,53%</p> <p>Data coverage 2024: 62,24%</p> <p>Data coverage 2023: 59,13%</p> | decarbonization strategies, and increasing data quality to support more accurate portfolio-level carbon analysis. |
|  | 3. GHG intensity of investee companies                    | GHG intensity of investee companies                                | 978,74 tCO <sub>2</sub> e/mEUR | 826,06 tCO <sub>2</sub> e/mEUR | 456,39 tCO <sub>2</sub> e/mEUR | <p>Calculated using formula (3) as outlined in Appendix 1.</p> <p>The current data coverage rate is: 63,23%</p> <p>Data coverage 2025: 68,67%</p> <p>Data coverage 2024: 80%</p> <p>Data coverage 2023: 59,13%</p>    |                                                                                                                   |
|  | 4. Exposure to companies active in the fossil fuel sector | Share of investments in companies active in the fossil fuel sector | 0,46%                          | 1,08%                          | 1,2%                           | <p>The current data coverage rate is: 73,13%</p> <p>Data coverage 2025: 77,07%</p>                                                                                                                                    |                                                                                                                   |



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|  |                                                                |                                                                                                                                                                                                                               |                                                                                                                                                                              |                                                                                                                                                                                       |                                                                                                                                                                                            | Data coverage 2024:<br>78,5%<br><br>Data coverage 2023:<br>73,97%                                                                                                                                                                                       |  |
|  | 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 of total energy sources | 61,58% non-renewable energy consumption (1)<br><br>4,40% non-renewable energy production (2)                                                                                 | 63,11% non-renewable energy consumption (1)<br><br>5,06% non-renewable energy production (2)                                                                                          | 63,42% non-renewable energy consumption (1)<br><br>12,72% non-renewable energy production (2)                                                                                              | The current data coverage rate is 50,89% (1)<br><br>The current data coverage rate is 28,93% (2)<br><br>Data coverage 2025: 47,02% (1)<br><br>Data coverage 2025: 25,66% (2)<br><br>Data coverage 2024: 41,42% (1)<br><br>Data coverage 2024: 19,8% (2) |  |
|  | 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                                                                                                                    | Sector A (Agriculture, Forestry, and Fishing): no data<br><br>Sector B (Mining and Quarrying): 0,67<br><br>Sector C (Manufacturing): 0,41<br><br>Sector D (Electricity, Gas, | Sector A (Agriculture, Forestry, and Fishing): 0<br><br>Sector B (Mining and Quarrying): 0,76<br><br>Sector C (Manufacturing): 0,32<br><br>Sector D (Electricity, Gas, Steam, and Air | Sector A (Agriculture, Forestry, and Fishing): 10.43<br><br>Sector B (Mining and Quarrying): 1.00<br><br>Sector C (Manufacturing): 20.88<br><br>Sector D (Electricity, Gas, Steam, and Air | The current data coverage rate is 0%<br><br>The current data coverage rate is 0,50%<br><br>The current data coverage rate is 22,80%<br><br>The current data coverage rate is 0,74%                                                                      |  |



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|              |                                                                 |                                                                                                                           | Steam, and Air Conditioning Supply): 0,34<br>Sector E (Sewerage, Waste Management, and Remediation Activities): 0<br>Sector F (Construction): 0,12<br>Sector G (Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles): 0,06<br>Sector H (Transportation and Storage): 0,47<br>Sector L (Real Estate Activities): 0,39 | Conditioning Supply): 0,32<br>Sector E (Sewerage, Waste Management, and Remediation Activities):no data<br>Sector F (Construction): 0,27<br>Sector G (Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles): 0,06<br>Sector H (Transportation and Storage): 1,10<br>Sector L (Real Estate Activities): 0.39 | Conditioning Supply): 0.63<br>Sector E (Sewerage, Waste Management, and Remediation Activities): no data<br>Sector F (Construction): 0.08<br>Sector G (Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles): 0.08<br>Sector H (Transportation and Storage): 1.74<br>Sector L (Real Estate Activities): 0.28 | The current data coverage rate is 0,25%<br><br>The current data coverage rate is 1,02%<br><br>The current data coverage rate is 1,24%<br><br>The current data coverage rate is 0,34%<br><br>The current data coverage rate is 2,36% |                                                                                                             |
| 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 | 0,81%                                                                                                                                                                                                                                                                                                                                 | 1,48%                                                                                                                                                                                                                                                                                                                       | 1,89%                                                                                                                                                                                                                                                                                                                        | Data is estimated based on whether the company has reported having operations in or near                                                                                                                                            | Just as portfolio diversification reduces financial risk, biodiversity safeguards the resilience of natural |



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|  |  | activities of those investee companies negatively affect those areas |  |  |  | <p>biologically sensitive areas and has been involved in controversies with serious or very serious environmental consequences.</p> <p>The current data coverage rate is: 73,13%</p> <p>Data coverage 2025: 77,24%</p> <p>Data coverage 2024: 78,05%</p> <p>Data coverage 2023: 74,19%</p> | <p>systems that underpin long-term economic stability. As responsible long-term investors, we aim to contribute to halting and reversing biodiversity loss. In 2024, we continued to integrate biodiversity-related considerations into our investment and stewardship processes under our nature framework, which consists of three key pillars:</p> <p>i) incorporating biodiversity risks into investment analysis, including sector exclusions and negative screening;</p> <p>ii) advancing targeted stewardship activities with companies in high-impact sectors or geographies; and</p> <p>iii) engaging with external stakeholders such as policymakers, NGOs, and standard-setters to promote stronger disclosure and accountability.</p> |
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|  |  |  |  |  |  |  | <p>Our current exposure to companies with operations in or near biodiversity-sensitive areas remains low and stable compared to the previous reporting period. We believe this reflects our conscious allocation strategy—favoring companies with no links to deforestation and supporting those that have adopted credible deforestation policies. In 2025, we continued to classify holdings by deforestation risk (high, medium, low) and engaged with selected companies, both directly and through collaborative initiatives such as the Investor Policy Dialogue on Deforestation, the Deforestation Investor Group and Nature Action 100, to assess and encourage stronger mitigation strategies.</p> <p>A significant step this year was the publication of our first disclosure aligned with the recommendations</p> |
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|  |  |  |  |  |  |  | <p>of the Taskforce on Nature-related Financial Disclosures (TNFD). Applying the TNFD's LEAP approach, we screened our 466 group-wide holdings and identified 41 that sit in sectors with elevated nature-related impacts and dependencies, such as metals and mining, oil and gas, food and beverage, and forest products, and produced a sector heatmap to help prioritise engagement. We also assessed, on a domicile basis, our exposure to regions containing water-stressed catchments or biodiversity-sensitive biomes. For the next reference period, we will deepen the granularity of this analysis, work towards moving beyond domicile-based proxies as company disclosure allows, expand engagement with companies flagged for high biodiversity or deforestation-related risk, and further</p> |
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|       |                       |                                                                                                                        |             |             |             |                                                                                                                                                                                                                                                                                         | strengthen portfolio-level tracking of nature-related impacts.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Water | 8. Emissions to water | Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average | 0,01 t/mEUR | 0,01 t/mEUR | 1,92 t/mEUR | <p>The current data coverage rate is: 0,54%</p> <p>Data coverage 2025: 0,48%</p> <p>We note an extremely low data availability as previous year. The main negative consequence is therefore difficult to assess.</p> <p>Data coverage 2024: 4,58%</p> <p>Data coverage 2023: 11,34%</p> | <p>In 2025, we continued to assess water-related risks and opportunities through our proprietary ESG integration tools, as well as via the Do No Significant Harm (DNSH) test implemented across East Capital Group. Recognising the increasing importance of water security in investment decision-making, particularly in high-impact sectors and water-stressed regions, we reinforced our focus on water-related indicators and integrated available disclosures into company assessments.</p> <p>We continued to support CDP-led initiatives to advance corporate transparency on water, including the CDP non-disclosure campaign, through which we encourage non-reporting companies to respond to the water</p> |



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|  |  |  |  |  |  |  | <p>questionnaire, as well as CDP's wider work to strengthen forest and water security disclosure frameworks. Water use, efficiency and pollution remain part of the environmental criteria captured in our Red Flag Analysis and proprietary ESG tools.</p> <p>A significant development this year was the publication of our first disclosure aligned with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), in which water features as a material nature-related topic. As part of that work, we identified water use and pollution among the key nature interfaces of several high-impact sectors in our portfolio, such as metals and mining, semiconductors and beverages, and assessed, on a domicile basis, our exposure to regions containing water-</p> |
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|                                                                                                               |                                                |                                                                                                                                           |             |             |             |                                                                                                                                                        | stressed catchments. Looking ahead, we plan to strengthen engagement with companies in water-intensive sectors to improve transparency and risk management related to water use, efficiency and pollution, and to move beyond domicile-based proxies towards more granular, asset-level water risk analysis as company disclosure and reference tools allow. |
| Waste                                                                                                         | 9. Hazardous waste and radioactive waste ratio | Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average | 0,35 t/mEUR | 0,86 t/mEUR | 1,07 t/mEUR | <p>The current data coverage rate is: 67,22%</p> <p>Data coverage 2025: 55,89%</p> <p>Data coverage 2024: 59,24%</p> <p>Data coverage 2023: 30,88%</p> | Risks and opportunities related to waste are assessed in proprietary ESG integration tools across East Capital Group and also as an integrated part of the Do No Significant Harm test.                                                                                                                                                                      |
| <b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b> |                                                |                                                                                                                                           |             |             |             |                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                              |
| Social and employee matters                                                                                   | 10. Violations of UN Global Compact principles | Share of investments in investee companies that have been involved in violations of the UNGC                                              | 0%          | 0,14%       | 0%          | The current data coverage rate is: 100%                                                                                                                | As part of the controversy (norms-based) screening, companies are                                                                                                                                                                                                                                                                                            |



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|  | and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises | principles or OECD Guidelines for Multinational Enterprises |  |  |  | <p>Data coverage 2025: 77,24%</p> <p>Data coverage 2024: 78,05%</p> <p>Data coverage 2023: 74,19%</p> | <p>assessed in terms of compliance with international norms, standards and underlying conventions. The controversy screening is intended to capture severe, systemic and structural violations of international norms as enshrined by the UN Global Compact Principles. The assessments are underpinned by references to the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, and their underlying conventions.</p> <p>Our article 9 strategies and selected article 8 strategies cannot hold companies in breach of international norms, standards and underlying conventions. Companies with potential violations are highlighted and prioritized in the</p> |
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|  |                                                                                                                                                           |                                                                                                                                                                                                                                                                                                        |        |        |        |                                                                                                                                                        | Investment Manager's engagement activities.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|  | 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 | 41,56% | 44,83% | 49,66% | <p>The current data coverage rate is: 70,38%</p> <p>Data coverage 2025: 72,24%</p> <p>Data coverage 2024: 75,65%</p> <p>Data coverage 2023: 42,32%</p> | As part of the controversy (norms-based) screening, companies are assessed in terms of compliance with international norms, standards and underlying conventions. The controversy (norms-based) screening is intended to capture severe, systemic and structural violations of international norms as enshrined by the UN Global Compact Principles. The assessments are underpinned by references to the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, and their underlying conventions. |
|  | 12. Unadjusted gender pay gap                                                                                                                             | Average unadjusted gender pay gap of investee companies                                                                                                                                                                                                                                                | 28,70% | 17,89% | 16,79% | <p>The current data coverage rate is: 4,09%</p>                                                                                                        | Social issues at large are addressed in our proprietary analysis, including the gender pay gap when                                                                                                                                                                                                                                                                                                                                                                                                                                                   |



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|  |                            |                                                                                                                            |        |        |        | <p>Data coverage 2025: 1,07%</p> <p>Data coverage 2024: 0,85%</p> <p>Data coverage 2023: 0,99%</p>                                                     | <p>available. However, due to the current extremely low portfolio coverage, it is challenging to analyze these issues comprehensively. This difficulty is primarily because most companies do not disclose gender pay gap information, resulting in very low coverage. An engagement may be initiated with issuers should there be strong evidence and rationale in the analysis to do so.</p> |
|  | 13. Board gender diversity | <p>Average ratio of female to male board members in investee companies, expressed as a percentage of all board members</p> | 32,80% | 31,14% | 27,68% | <p>The current data coverage rate is: 72,43%</p> <p>Data coverage 2025: 76,31%</p> <p>Data coverage 2024: 81,52%</p> <p>Data coverage 2023: 75,77%</p> | <p>Board gender diversity of investee companies is addressed in our proprietary ESG analysis. An engagement may be initiated with issuers should there be strong evidence and rationale in the analysis to do so. We vote against board candidates to companies where the gender diversity is too low, usually below 30%.</p>                                                                  |



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|                                  | 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%          | 0%          | 0%          | <p>The current data coverage rate is: 100%</p> <p>Data coverage 2025: 100%</p> <p>Data coverage 2024: 100 %</p> <p>Data coverage 2023: 74,19%</p> | No investment shall be made in any company known to have exposure to controversial weapons (anti-personell mines, cluster munitions, chemical weapons and biological weapons) across all sub-funds within our group. Upon new investment, the investment teams shall ensure that the new holding is compliant with the exclusion criteria for the portfolio to which the new holding is added. Portfolios are quarterly reviewed to re-confirm compliance with the exclusion criteria. |
|                                  | Indicators applicable to investments in sovereigns and supranationals                                                    |                                                                                                            |             |             |             |                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Adverse sustainability indicator | Metric                                                                                                                   | Impact 2025                                                                                                | Impact 2024 | Impact 2023 | Explanation | Actions taken, and actions planned and targets set for                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |



|               |                                                     |                                                                                                                                                                                                                                                            |         |         |         |     | the next reference period                                                                                                                      |
|---------------|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|---------|---------|-----|------------------------------------------------------------------------------------------------------------------------------------------------|
| Environmental | 15. GHG intensity                                   | GHG intensity of investee countries                                                                                                                                                                                                                        | No data | No data | No data | N/A | Our exposure to sovereigns and supranationals is minimal. We will improve our reporting ability in case the exposure would become significant. |
| Social        | 16. 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 principles and, where applicable, national law | No data | No data | No data | N/A | Our exposure to sovereigns and supranationals is minimal. We will improve our reporting ability in case the exposure would become significant. |
|               |                                                     |                                                                                                                                                                                                                                                            |         |         |         |     |                                                                                                                                                |



|                                  |                                                         | Indicators applicable to investments in real estate assets                                                               |             |             |             |                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                   |
|----------------------------------|---------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Adverse sustainability indicator |                                                         | Metric                                                                                                                   | Impact 2025 | Impact 2024 | Impact 2023 | Explanation                                                                                                                                                                                                                                                                                                                                                       | Actions taken, and actions planned and targets set for the next reference period                                                                                                                  |
| 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 | 0%          | 0%          | 0%          | <p>East Capital Real Estate is screening the tenants in the holding properties according to the their economic activity. Despite fossil fuels not being a strict exclusion for investing into an asset, it is not a preferred sector of tenant activity and considered when making an investment decision</p> <p>Data coverage: 100% for 2025, 2024, and 2023</p> | Tenants are screened according to their economic activity. We tend to avoid properties with tenants involved in activities deriving revenues from fossil fuels.                                   |
| Energy efficiency                | 18. Exposure to energy-inefficient real estate assets   | Share of investments in energy-inefficient real estate assets                                                            | 22%         | 25%         | 27%         | Share of investments in energy-inefficient real estate assets is calculated as per formula (5) that means only real estate assets with EPC of A or B are considered as                                                                                                                                                                                            | East Capital Real Estate maps and regularly reviews the sustainability profile and energy efficiency of its property portfolio, including the Energy Performance Certificate coverage and levels. |

|  |  |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--|--|--|--|--|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |  |  |  |  |  | <p>energy efficient and real estate assets with EPC of C or below are considered as energy in-efficient</p> <p>Real estate assets not required to abide by EPC and NZEB rules and not having an energy performance certificate as of the reporting date are excluded from the calculation.</p> <p>Data coverage: 100% for both 2025, 2024, and 2023</p> | <p>This is done by using the proprietary ESG scorecard as the main tool. Minimum energy performance levels are set to new acquisitions. In the existing portfolio, focus is turned to properties with lower energy efficiency, and investments are planned to increase it and recalculate the energy label. East Capital Real Estate has set to certify the portfolio (excluding for properties in divestment phase) with sustainability assessments such as BREEAM or LEED, which also contributes to reviewing and improving energy profile of the real estate assets.</p> |
|--|--|--|--|--|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

## Other indicators for principal adverse impacts on sustainability factors

In addition to the mandatory indicators presented in Table 1, we consider two additional indicators, one environmental and one social, presented in Table 2 and 3.

**Table 2**

### Additional climate and other environment-related indicators

| Adverse sustainability impact       | Adverse impact on sustainability factors<br>(qualitative or quantitative) | Metric                                                                      | Impact 2025 | Impact 2024 | Impact 2023 | Explanation                                                                                                                                            | Actions taken, and actions planned and targets set for the next reference period                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------------------------------|---------------------------------------------------------------------------|-----------------------------------------------------------------------------|-------------|-------------|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                     | Indicators applicable to investments in investee companies                |                                                                             |             |             |             |                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                                     | CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS                          |                                                                             |             |             |             |                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Water, waste and material emissions | 15. Deforestation                                                         | Share of investments in companies without a policy to address deforestation | 60,72%      | 65,42%      | 63,86%      | <p>The current data coverage rate is: 70,52%</p> <p>Data coverage 2025: 72,24%</p> <p>Data coverage 2024: 75,47%</p> <p>Data coverage 2023: 63,68%</p> | We recognise that forests are among the most biodiverse ecosystems and play a vital role in climate regulation and resilience. Addressing deforestation is critical to achieving global net zero goals, as forest loss and land-use change remain among the largest sources of greenhouse gas emissions. Integrating deforestation-related risks is therefore central to our investment and stewardship processes, as the financial system cannot be insulated from the systemic risks associated with deforestation. |



|  |  |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--|--|--|--|--|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |  |  |  |  |  | <p>East Capital Group has been a participant in the Investor Policy Dialogue on Deforestation (IPDD) since 2022 and, in 2023, introduced the End Deforestation Action (EDA) initiative to strengthen internal coordination and promote active ownership on deforestation topics. In 2025, the Financial Sector Deforestation Action (FSDA), to which we are a signatory, transitioned to the Deforestation Investor Group (DIG), in which we continue to participate. We also worked with CDP during the year to support improved corporate disclosure across climate, nature and water, including through the CDP non-disclosure campaign, encouraging issuers to report forest-related data.</p> <p>In 2025, we again classified our portfolio holdings by deforestation risk, assessing companies across high, medium and low categories based on their sector and geographic exposure. This classification supported ongoing and new engagement with companies exposed to high deforestation risk, aimed at understanding how they identify and mitigate these risks. Engagements prioritised holdings with significant financial exposure or where we believe we have leverage to influence change.</p> <p>A key development this year was the completion of our first disclosure aligned with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD). The disclosure highlights the sectors and geographies to which we are exposed with heightened nature-related risks, including commodity-linked deforestation risk in the food and beverage, agriculture and forest products sectors. It also points to holdings where deforestation-related risk sits alongside clear opportunity, such as forest products companies like SCA and BillerudKorsnäs, whose exposure to forest ecosystems also positions them to contribute to sustainable forestry solutions.</p> |
|--|--|--|--|--|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|  |  |  |  |  |  |  |                                                                                                                                                                                                                                                                                                        |
|--|--|--|--|--|--|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |  |  |  |  |  |  | Looking ahead, we plan to expand engagement coverage to additional companies with high or medium deforestation risk, monitor progress made by previously engaged issuers, and refine our internal tracking tools as part of our broader alignment with evolving nature-related reporting expectations. |
|--|--|--|--|--|--|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**Table 3**

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

| <b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b> |                                                                                   |                                                                |                    |                    |                    |                                           |                                                                                                               |
|---------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|----------------------------------------------------------------|--------------------|--------------------|--------------------|-------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| <b>Adverse sustainability impact</b>                                                                          | <b>Adverse impact on sustainability factors<br/>(qualitative or quantitative)</b> | <b>Metric</b>                                                  | <b>Impact 2025</b> | <b>Impact 2024</b> | <b>Impact 2023</b> | <b>Explanation</b>                        | <b>Actions taken, and actions planned and targets set for the next reference period</b>                       |
| <b>Indicators applicable to investments in investee companies</b>                                             |                                                                                   |                                                                |                    |                    |                    |                                           |                                                                                                               |
| Human Rights                                                                                                  | 9. Lack of a human rights policy                                                  | Share of investments in entities without a human rights policy | 6,38%              | 10,18%             | 14,90%             | The current data coverage rate is: 71,36% | Social issues are included in the analysis through our proprietary tools. Although we do not directly address |

|  |  |  |  |  |  |                                                                                                        |                                                                                                                                                                                                                                                                  |
|--|--|--|--|--|--|--------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |  |  |  |  |  | Data coverage<br>2025: 74,31%<br><br>Data coverage<br>2024: 74,4%<br><br>Data coverage<br>2023: 64,77% | the lack of a human rights policy in investee companies, we evaluate related factors, such as adherence to the UN Global Compact principles. An engagement with issuers may be initiated should there be strong evidence and rationale in the analysis to do so. |
|--|--|--|--|--|--|--------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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

### Selection of indicators

East Capital Group's ESG policy highlights what ESG areas we as owners deem to be crucial to identify and prioritize when considering principal adverse impacts on sustainability factors. Environmental factors include but are not limited to physical and transition risks, water and resource scarcity and biodiversity loss. Social factors include but are not limited to labor practices, human rights and health & safety. Business practices include, among others, good corporate governance in respect to management structures, employee relations and tax compliance.

### PAI assessment

We have adopted different measures to ensure that principal adverse impacts are taken into account and mitigated throughout each step of our investment process, referred to in East Capital Group's ESG policy. Measures such as negative screening, norms-based screening, ESG integration and active ownership practices tend to help mitigate principal adverse impacts. Avoiding certain investments based on sectors, and violations of recognized international norms, standards and underlying conventions, contributes to identifying and avoiding multiple principal adverse impacts.

Indicators for adverse impacts are included in our norms-based screening, in our Red Flag Analysis, and in our ESG proprietary analysis. The Red Flag analysis which is conducted pre-investment, consists of a set of questions which we deem to be crucial to consider for ensuring that investments do not cause significant harm. The questions are related to corporate governance, ethics, and corruption, and cover international norms and standards, as well as severe and/or systematic environmental or social controversies. One question specifically addresses the Principal Adverse Impact (PAI)



indicators, which are outlined in Annex I of Regulation (EU) 2019/2088. In order to assess PAI indicators, the investment teams use information – when available – from issuers and from external data providers that compare the PAI indicators for each company with a range of peer companies. These in-house assessments are primarily done by analysts and portfolio managers and may also be discussed and/or verified with our ESG function to ensure that PAI indicators are adequately considered. The key adverse indicators for the portfolio holdings are periodically reviewed, and any potential outliers will be identified and discussed. Given our market context, not all principal adverse impact indicators are available for each company, though we make best efforts in order to ensure there are no unacceptably high risks of causing significant harm. Our active ownership practices such as proxy voting and individual or collaborative company engagement may mitigate principal adverse indicators of our portfolio holdings. Outliers on indicator level with no sign of improvement over time may trigger a decision to divest and to make our ESG strategy more stringent in terms of criteria for sector exclusions, norms-based screening, and our active ownership practices.

### **Methodologies and margin of error**

Primarily, we rely on the data from third party service providers. Reported data by investee companies may also be considered when available. The methodology to identify principal adverse indicators is subject to data availability and quality. However, we expect data availability and quality to improve over time.

### **Governance of policies**

Responsible for design and implementation of the ESG policy is East Capital Group's Chief Sustainability Officer. Responsible for monitoring of implementation is the CEO of East Capital Holding, the holding company of East Capital Group. The Board of Directors of East Capital Holding is responsible for the annual review of the ESG group policy. The policy is subject to yearly approval and is published on our websites.

### **Data sources**

We obtain PAI data primarily from external data sources. The data is used to analyze an investee company's absolute exposure and relative to its peers. Additional data sources may be used subject to data quality and availability.

### **Engagement policies**

East Capital Group includes several investment managers, with a common set of ESG frameworks and practices that define our role as owners. We are long-term, we see beyond the short-term gain and look for long-term investment value. We are active, and believe that dialogue with companies helps us make better-informed investment decisions, hence we strive to constructively engage on issues that are important to us as owners. We are responsible: our research process addresses and integrates investment risks and opportunities associated with relevant and material environmental,



social, and corporate governance factors. We consider good corporate governance as well as environmentally and socially responsible behavior as essential in managing a company with the aim of maximizing long-term shareholder value.

When we have identified relevant areas of improvement on specific ESG issues or if we believe that a portfolio company has not met our expectations as owners, we will evaluate if it is suitable for us as investors to initiate an engagement process where we seek to encourage and influence the company to make necessary improvements. Such expectations may include, but is not limited to principal adverse impact of our holdings. We aim to be constructive and supportive in our dialogue with the companies. Our experience has shown that engaging with the company, either directly or collectively with other owners, usually generates greater positive effects as opposed to immediately exiting our investment. If the company does not respond in an adequate manner or undertake the necessary changes, however, we may ultimately decide to divest our holding in the company.

We strive to maintain active relationships with relevant stakeholders such as market institutions, stock exchanges, NGOs, governmental and public bodies that may be helpful for keeping up to date with local legislation and market practice for improving the institutional framework. Engagement with stakeholders are logged and documented to quarterly investment committee and board meetings, and in annual reporting. We also support different forums and initiatives for promotion of good market practice, corporate governance, other responsible practices and other relevant topics that may be in the joint interest of our investors.

We apply a range of methods to address ESG issues in our portfolio companies:

- Face-to-face discussions with managements and boards in company visits
- Letters addressed to the management of our portfolio companies, highlighting key issues of concern including explicit requests for additional information
- Annual “CIO to CEO Letter” to portfolio holdings and “Letter from your new shareholder” upon addition to East Capital portfolios
- Nomination or endorsement of independent board members
- Voting in shareholders’ meetings
- Dialogue with companies in conjunction with shareholders’ meetings including Shareholders statements
- Collaboration with other shareholders and investor-led initiatives
- Dialogue with governments, stock exchanges and financial surveillance authorities to advocate improvements in the institutional framework with the purpose of promoting more well-functioning and transparent capital markets
- Providing our clients with various forums for interaction with local portfolio companies

Please, refer to [East Capital Group’s ESG Policy](#) for more information on our engagement policy.



## References to international standards

We deem it to be crucial for investee companies to comply with commonly accepted international norms and standards and underlying conventions. International norms and standards include, but is not limited to:

- UN Global Compact Principles
- OECD Guidelines for Multinational Enterprises Chapters
- UN Guiding principles on Business and Human Rights
- United Nations instruments
- International Labor Organization
- Other relevant instruments

## Historical comparison

### Comparing 2024 and 2025 PAI Indicators

Several factors contribute to the differences observed in PAI indicators between 2024 and 2025. The underlying portfolios remained largely consistent, but improved data coverage, evolving issuer disclosures and methodological refinements all shaped the reporting outcomes. We therefore continue to advise caution when comparing reporting periods, as variations in data quality and coverage, rather than changes in the portfolios, may account for a substantial part of the movements.

#### Data Coverage and Quality:

In 2025, data coverage improved for a number of indicators compared with the previous reporting period, reversing part of the decline seen last year. For example:

Scope 1 GHG emissions coverage:

2023 data (reported in 2024): 63,01%

2024 data (reported in 2025): 56,53%

2025 data (reported in 2026): 67,63%



Coverage rose most clearly for the greenhouse gas emission indicators (Scope 1, 2 and 3), the carbon footprint and hazardous waste, each improving by roughly ten percentage points. Coverage of certain other indicators declined modestly year on year, including exposure to the fossil fuel sector (from 77,07% to 73,13%), biodiversity (77,24% to 73,13%), board gender diversity (76,31% to 72,43%), human rights (74,31% to 71,36%) and deforestation (72,24% to 70,52%). Coverage of emissions to water (0,54%) and of the unadjusted gender pay gap (4,09%) remains very low and continues to constrain any meaningful analysis of those indicators. As in previous years, we applied a conservative approach to data inclusion, considering only high-confidence reported data and verified estimates, which supports the robustness of the reported metrics even where headline coverage moves between years.

### **Sustainability Transparency:**

Regulatory developments, investor expectations and market initiatives continue to drive gradual improvements in corporate sustainability reporting, including greater granularity of climate-related disclosures and broader adoption of policies addressing deforestation, biodiversity and human rights. This is reflected in several of our impact indicators, where the share of investee companies lacking a human rights policy fell (from 10,18% to 6,38%), the share lacking a deforestation policy fell (65,42% to 60,72%), and the share without adequate processes to monitor compliance with the UN Global Compact principles and OECD Guidelines decreased (44,83% to 41,56%). East Capital Group continues to use its ESG analysis tools and stewardship activities to promote transparency, and during 2025 worked with CDP to support improved corporate disclosure across climate, nature and water, including through the CDP non-disclosure campaign. A significant milestone this year was the publication of our first disclosure aligned with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), which highlights the sectors and geographies in our portfolio associated with heightened nature-related risks and dependencies.

### **Portfolio Management:**

There were no major structural shifts to the existing portfolios during the reference period. The Espiria Nordic Corporate Bond Fund, first included at entity level in the previous period, remained part of the assessment, so its effect on comparability is now consistent between years rather than representing a new change. During 2025, two further sub-funds, East Capital Global Emerging Markets and Espiria Sweden Small Cap, were added to the entity-level assessment; given their size relative to the group, we expect them to contribute only a small change to the overall results.

### **Corrected Data Points**

The most significant change in this year's statement concerns the presentation of the absolute greenhouse gas emission figures (Scope 1, 2, 3 and total). In previous statements these were reported on a portfolio-weighted-average basis. From this reporting cycle onwards, we present them as an additive total, summing the financed emissions across our sub-funds at each quarter and taking the average of the four quarter-end figures. This additive approach provides a more representative view of the entity's total financed emissions. To preserve comparability across periods, we have restated the corresponding figures for the previous reference periods on the same basis. On this restated basis, total greenhouse gas emissions were 235410,53



tCO<sub>2</sub>e for 2023, 334044,59 tCO<sub>2</sub>e for 2024 and 557105,90 tCO<sub>2</sub>e for 2025. The increase over the period, and in particular in Scope 3, is driven partly by the improved data coverage described above and partly by the continued evolution of how companies and data providers estimate Scope 3 emissions, rather than solely by a change in the underlying portfolios.

In addition, we have corrected the share of energy-inefficient real estate assets reported for the previous reference period. This figure was previously stated as 27% but has been recalculated to 25% as of 31 December 2024, with the corresponding figure for the current reference period being 22% as of 31 December 2025. It should be noted that this indicator is calculated only over those real estate assets that hold an Energy Performance Certificate (EPC), which we are not legally obliged to obtain for all properties. The movement from 25% to 22% therefore reflects not only improvements in the energy ratings of individual assets, but also a change in the proportion of the portfolio that is EPC-rated.

Aside from these methodological changes, the associated restatement of prior-year greenhouse gas figures, and the corrected real estate figure noted above, no other retrospective corrections were made to prior-year data.

## **Real Estate**

The share of energy-inefficient real estate assets decreased from a corrected 25% as of 31 December 2024 to 22% as of 31 December 2025. As noted under Corrected Data Points, this indicator is calculated only over properties that hold an Energy Performance Certificate, which we are not legally required to obtain for all assets, so the movement reflects both improvements in the energy ratings of individual assets and a change in the share of the portfolio that is EPC-rated. East Capital Real Estate continues to follow a structured plan for property improvements, and we expect the share of properties considered inefficient to continue to decrease over the coming years as these measures are implemented.

## **Summary**

Overall, this year's statement reflects improved data coverage across several key indicators, a generally favourable development in the exposure-based indicators where coverage is sufficient, and a more transparent and representative basis for our greenhouse gas reporting following the move to additive absolute emissions and the restatement of prior years. The continued inclusion of the Espiria Nordic Corporate Bond Fund, the addition of two further sub-funds, ongoing real estate improvements, the publication of our first TNFD-aligned disclosure, and increased engagement targeting sustainability gaps together contribute to a more representative and resilient picture of sustainability risks and impacts across East Capital Group. This demonstrates our continued commitment to improving data quality, portfolio alignment and responsible asset management.



## APPENDIX 1

1. **Greenhouse gas emissions** are calculated using the following formula:

$$\sum_n \left( \frac{\text{current value of the investment object}}{\text{enterprise value of the investment object}} \times \text{Scope}(x) \text{ GHG emissions of the investment object} \right)$$

2. **Carbon footprint** is calculated using the following formula:

$$\frac{\sum_n \left( \frac{\text{current value of the investment object}}{\text{enterprise value of the investment object}} \times \text{Scope 1, 2 and 3 GHG emissions of the investment object} \right)}{\text{current value of all investments (mEUR)}}$$

3. **Greenhouse gas intensity of investee companies** is calculated using the following formula:

$$\sum_n \left( \frac{\text{current value of the investment object}}{\text{current value of all investments (mEUR)}} \times \frac{\text{Scope 1, 2 and 3 GHG emissions of the investment object}}{\text{revenue of the investment object (mEUR)}} \right)$$

4. **Greenhouse gas intensity of states** is calculated using the following formula:

$$\sum_n \left( \frac{\text{current value of the investment in the state}}{\text{current value of all investments (mEUR)}} \times \frac{\text{Scope 1, 2 and 3 GHG emissions of the state}}{\text{GDP of the state (mEUR)}} \right)$$

5. **Value of energy-inefficient real estate assets** is calculated using the following formula:

$$\frac{(\text{Value of real estate assets built before 31/12/2020 with EPC of C or below}) + (\text{Value of real estate assets built after 31/12/2020 with PED below NZEB})}{\text{Value of real estate assets required to abide by EPC and NZEB rules}}$$



## Definitions:

### Data Coverage Rate:

#### What is Data Coverage Rate?

The data coverage rate refers to the proportion of data that is available and used for reporting compared to the total data that ideally should be reported. It is a measure of how complete and comprehensive the data is for a given set of indicators.

#### What Should Data Coverage Rate Include?

1. *Reported Data*: This includes all the data directly reported by the companies or entities being assessed. This data is usually considered the most reliable as it comes straight from the source.
2. *Estimated Data*: When reported data is not available, estimates can be used to fill the gaps. These estimates can be based on industry averages, historical data, or other relevant methodologies to provide an approximation of the missing data.
3. *Sources of Data*: It should be clear whether the data comes from direct reporting by the companies, third-party data providers, or is estimated.
4. *Percentage of Coverage*: The report should indicate the percentage of data that is covered by reported data versus estimated data. This helps in understanding the reliability and accuracy of the data presented.

