

COMMISSION DELEGATED REGULATION (EU) 2022/1288: ANNEX 1

Table 1

Notice on the principal adverse impacts of investment decisions on sustainability factors  
27.6.2025

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**Financial market participant** UB Asset Management Company Ltd LEI: 7437002849CUIJZROH57

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**Summary**

UB Asset Management Company Ltd (LEI: 7437002849CUIJZROH57) takes into account the principal adverse impacts (PAI) of its investment decisions on sustainability factors. This statement is UB Asset Management Company's declaration of principal adverse impacts on sustainability factors as part of the United Bankers Group.

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

Principal adverse impacts (PAI) on sustainability factors refer to negative effects on the environment, society, or social factors that may arise directly or indirectly from investment decisions or investment advice (EU Disclosure Regulation SFDR, 2019/2088). UB Asset Management Company Ltd recognizes that business activities and, consequently, investments can have both positive and negative impacts on the environment and society. This document outlines the principles and methods used by UB Asset Management Company Ltd to consider principal adverse impacts, as well as the principal adverse impacts of investments realized during 2024. Additionally, the statement includes comparative values from the previous reporting period, a description of any changes between the comparison periods, and planned actions. The statement covers UB Asset Management Company's products under SFDR Article 8. Principal adverse impacts are not considered in UB Asset Management Company's products under SFDR Article 6, and they are not reported in this statement. This statement is updated annually.

The assessment of principal adverse impacts of investments is part of UB Asset Management Company's responsible investment processes, which are described in the company's principles of responsible investment (<https://unitedbankers.fi/api/content/document/vastuullisen-sijoittamisen-periaatteet?lang=en>). These are complemented by United Bankers' principles for identifying and considering principal adverse impacts of investments ([ub-pai-statement\\_en\\_created-28-02-2023\\_updated-2025.pdf](#)), which were approved on February 28, 2023, and last updated on April 28, 2025.

The reference period 2024 is the third time that information on the principal adverse impacts of investments on sustainability factors has been monitored using PAI indicators. Based on the results for 2024, it is possible to compare the development of impacts with the previous reporting period. The development in 2024 was mainly positive compared to the previous reporting period, and several indicators describing principal adverse impacts showed positive development. The most significant factor for the potential negative development of indicator values was the significant improvement in data coverage during the reporting period, especially for indicators related to greenhouse gas emissions. Based on available information, Scope 1 greenhouse gas emissions from investment targets tripled in 2024 compared to the previous reporting period. Scope 3 greenhouse gas emissions nearly quadrupled, with the main factor being improved data coverage. The greenhouse gas intensity of the companies that were investment targets also increased by 43%. We hope that data coverage will remain at a good level in the future, so that investment decisions can be based on accurate information about the impacts of investment targets on the environment and society. Sufficient data coverage is also a prerequisite for being able to reduce the impacts of investments and target potential engagement actions in the future.

UB Asset Management Company Ltd aims to continue reducing the principal adverse impacts of its investments on sustainability factors. As part of the actions outlined in United Bankers' climate roadmap and the SBTi climate initiative, thresholds and targets will also be set for PAI indicators in the future. United Bankers is set to establish its climate targets according to the SBTi initiative by the end of 2025. This way, United Bankers aims to ensure that the company's operations are in line with the goals of the Paris Agreement and contribute to achieving long-term Net Zero targets by 2040–2050. Once the climate targets according to SBTi are set, target values and/or thresholds for PAI indicators related to climate issues will be defined during 2026. As part of this work, measures will also be defined for exceeding threshold or target values, and these will be incorporated into UB Asset Management Company's ownership policy. Before setting these precise targets, the general goal is to reduce the greenhouse gas emissions of investments in the long term, and this is expected to be reflected in emission reductions between comparison years.

Detailed information on the development of indicators in 2024 and related observations are described in the tables below. The reported data is based on Sustainalytics and Morningstar ESG databases. The data coverage of the reporting is expected to continue improving in the future as the coverage of the used databases improves. In addition to this statement, principal adverse impacts on sustainability factors are regularly reported in product-specific ESG reports, such as annual ESG reports and periodic reviews.

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

##### Indicators applicable to investments in investee companies

Principal Adverse Impact indicator		Indicator	Impact 2024	Impact 2023	Explanation	Actions taken and planned measures and targets set for the next reference period
CLIMATE AND OTHER ENVIRONMENTAL INDICATORS						
Green-house gas emissions	1. Greenhouse gas emissions	Scope 1 - Greenhouse gas emissions	0,03	0,01	Scope 1 greenhouse gas emissions increased slightly during the reporting period.	UB Asset Management Company Ltd aims to increase the positive impacts of its investments on the environment and society in the long term and reduce their negative impacts. United Bankers' climate targets were compiled and published in 2023. United Bankers invests in low-carbon and carbon-sequestering solutions and aims to increase the carbon sequestration of investments so that it exceeds the greenhouse gas emissions of investments by 2030. United Bankers is committed to setting science-based climate targets by 2025. This way, United Bankers aims to ensure that the company's operations are in
		Scope 2 - Greenhouse gas emissions	0,01	0,00	Scope 2 greenhouse gas emissions increased slightly compared to the previous reporting period.	
		Scope 3 - Greenhouse gas emissions	0,35	0,09	Scope 3 greenhouse gas emissions increased during the reporting period. The increase in Scope 3 emissions was mainly due to improved data coverage.	
		Total greenhouse gas emissions	0,39	0,10	Total greenhouse gas emissions increased during the reporting period. This is	

					primarily due to the improved data coverage of Scope 3 emissions.	line with the goals of the Paris Agreement and contribute to achieving long-term Net Zero targets by 2040–2050. United Bankers pays special attention to the development of greenhouse gas intensity. Climate-related indicators will continue to be developed and monitored in future reporting periods. Once the science-based climate targets are set, target values and/or thresholds for climate-related PAI indicators will be defined during 2026. As part of this work, measures will also be defined for exceeding threshold or target values. Before this detailed target setting, the general goal is to reduce the greenhouse gas emissions of investments in the long term, and this is expected to be reflected in emission reductions between comparison years.
	2. Carbon footprint	Carbon footprint	5436,5	2254,9	The carbon footprint increased slightly during the reporting period. This is mainly due to the improved data coverage of Scope 3 emissions.	
	3. Greenhouse gas intensity of investee companies	Greenhouse gas intensity of investee companies	1607,8	1119,4	Greenhouse gas intensity increased from 2023.	
	4. Responsibility of companies operating in the fossil fuel sector	Share of investments in fossil fuel companies	4,1 %	2,5 %	The share of investments in companies operating in the fossil fuel sector increased in 2024.	
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies compared to renewables, expressed as a percentage of total energy sources	Kulutus: 57,9 Tuotanto: 18,1 %	Kulutus: 63,0 % Tuotanto: 21,9 %	The share of consumption and production of non-renewable energy decreased slightly during the reporting period.	
	6. Energy consumption intensity per sector with a significant climate impact	Energy consumption in gigawatt-hours per million euro generated by investee companies per sector with a significant climate impact	NACE A: 1,7 NACE B: 0,93 NACE C: 0,51 NACE D: 2,9	NACE A: 1,2 NACE B: 0,8 NACE C: 0,4 NACE D: 4,8	Energy consumption intensity in significant sectors increased slightly in sectors A, B, C, and L, and decreased in sectors D, E, G, and H compared to the previous reporting period.	



Indicators related to society and employees	10. Violations of the UN Global Compact principles and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in breaches of the UN Global Compact principles or the OECD Guidelines for Multinational Enterprises	0,15 %	0,0 %	The value of the indicator increased slightly compared to the previous reporting period. Products that invest in indices may, through index investments, include individual companies that have violated UNGC principles or OECD guidelines during the reporting period. These potential violations are monitored, but it is inherently difficult to influence them directly.	UB Asset Management Company Ltd requires good governance and has excluded companies that violate the UN Global Compact principles from its investments. More information can be found in United Bankers' Principles for Responsible Investment. For United Bankers products that primarily invest in, for example, index futures, United Bankers monitors potential violations in index companies. United Bankers' ability to influence these companies is limited. If necessary, United Bankers may decide to exclude investments whose principal adverse impacts are considered significant and where the violation is not expected to be resolved within a reasonable time.
	11. Lack of processes and mechanisms for monitoring compliance with the UN Global Compact principles or the OECD Guidelines for Multinational Enterprises	Share of investments in investee companies that do not have policies in place to monitor compliance with the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, or grievance or complaint handling systems to address breaches of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises	0,15 %	19,7 %	The indicator describing the lack of processes and mechanisms in accordance with the UN Global Compact principles or OECD guidelines decreased significantly in 2024. The higher figure compared to the previous reporting period is mainly due to improvements in data coverage and availability during the reporting period.	UB Asset Management Company Ltd requires good governance and has excluded companies that violate the UN Global Compact principles from its investments. More information can be found in United Bankers' Principles for Responsible Investment. United Bankers aims to monitor more closely the lack of processes and mechanisms for monitoring compliance with the UN Global Compact principles or the OECD guidelines based on available data and information.
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap in investee companies	14,7 %	20,9 %	The unadjusted gender pay gap narrowed significantly compared to the previous reporting period.	UB Asset Management Company Ltd monitors the development of the unadjusted gender pay gap in investee companies.

	13. Gender diversity in the board of directors	Average proportion of female board members in relation to male members in investee companies, expressed as a percentage of all board members	36,1 %	36,6 %	Gender diversity in the boards decreased slightly compared to the previous reporting period.	UB Asset Management Company Ltd monitors gender diversity in the boards of investee companies.
	14. Exposure to the risk associated with contested weapons (anti-personnel mines, daughter munitions, chemical and biological weapons)	Share of investments in investee companies involved in the manufacture or sale of controversial weapons	0,0 %	0,0 %	Exposure to controversial weapons remained at the same level as the previous reporting period.	UB Asset Management Company Ltd has excluded controversial weapons from its investments. In 2023, United Bankers allowed investments in the defense industry, but this does not apply to controversial weapons. More information can be found in United Bankers' Principles for Responsible Investment.

#### Indicators applicable to investments in sovereigns and supranational organizations

Principal Adverse Impact indicator		Indicator	Impact 2024	Impact 2023	Explanation	Actions taken and planned measures and targets set for the next reference period
Environment	15. Greenhouse gas intensity	Greenhouse gas intensity of investee countries	N/A	N/A	The used ESG database does not yet contain information on PAI indicators for states and supranational organizations	The metric will be reported as data coverage improves in the used ESG database
Social	16. Investee countries that have committed breaches of social legislation	Number of investee countries (absolute number and relative number divided by all investee countries) that have committed violations of social legislation as defined in international conventions and agreements, united nations principles, or, where applicable, national legislation	N/A	N/A	The used ESG database does not yet contain information on PAI indicators for states and supranational organizations	The metric will be reported as data coverage improves in the used ESG database

**Indicators applicable to investments in real estate assets**

Principal Adverse Impact indicator		Indicator	Impact 2024	Impact 2023	Explanation	Actions taken and planned measures and targets set for the next reference period
Fossil fuels	17. Exposure to fossil fuel-related risk through real estate assets	Share of investments in real estate assets related to the capture, storage, transport or production of fossil fuels	N/A	N/A	The asset management products included in the report did not contain investments in unlisted real estate assets during the reporting period.	The indicator will be reported if the asset management products included in the report contain investments in unlisted real estate assets during the reporting period.
Energy efficiency	18. Exposure to the risk associated with energy inefficient real estate assets	Share of investments in energy-inefficient real estate assets	N/A	N/A	The asset management products included in the report did not contain investments in unlisted real estate assets during the reporting period.	The indicator will be reported if the asset management products included in the report contain investments in unlisted real estate assets during the reporting period.

**Indicators of other Principal Adverse Impacts on sustainability factors**

In addition to the indicators described above, United Bankers also considered the following indicators:

*Table 2*

**Additional indicators related to climate and the environment**

Principal Adverse Impact indicator		Indicator	Impact 2024	Impact 2023	Explanation	Actions taken and planned measures and targets set for the next reference period
Emissions	4. Investments in companies without initiatives to reduce carbon emissions	Share of investments in investee companies without initiatives to reduce carbon emissions in compliance with the Paris Agreement	17,1 %	15,5 %	The share of investments in targets that do not have initiatives aimed at reducing carbon emissions increased during the reporting period. This change is closely related to the improvement in data availability.	UB Asset Management Company Ltd aims to promote credible initiatives and measures to reduce carbon emissions and compliance with the Paris Agreement in its investee companies. In 2024, United Bankers' engagement actions, such as voting in favor of climate targets at general meetings according to the principles of the ISS International

						Sustainability Voting Policy, and the Carbon Disclosure Project's SBTi campaign, aimed to encourage investee companies to set science-based climate targets and take credible climate actions. This work will continue in future reporting periods. As data coverage improves, United Bankers will pay special attention to the initiatives of investee companies and potential investee companies to reduce carbon emissions.
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Table 3

**Additional indicators related to society and employees, respect for human rights, and anti-corruption and anti-bribery**

Principal Adverse Impact indicator		Indicator	Impact 2024	Impact 2023	Explanation	Actions taken and planned measures and targets set for the next reference period
Human rights	9. Lack of policies related to human rights	Share of investments in entities without policies related to human rights	1,35 %	1,5 %	The indicator describing the lack of policies related to human rights decreased compared to the previous reporting period.	UB Asset Management Company Ltd requires that investee companies and partners operate in accordance with international best practices, norms, and agreements. United Bankers requires respect for human rights, anti-corruption measures, and consideration of environmental issues as defined in the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and the ILO Conventions. United Bankers actively seeks to identify potential adverse human rights impacts of its operations in accordance with the



						UN Guiding Principles on Business and Human Rights.
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#### Description of the principles for identifying and prioritizing Principal Adverse Impacts on sustainability factors

Principal adverse impacts (PAI) on sustainability factors refer to the negative effects that an investment decision or investment advice may directly or indirectly have on the environment, society, or social factors (EU Disclosure Regulation SFDR, 2019/2088). UB Asset Management Company Ltd recognizes that its business activities and investments can have both positive and negative impacts on the environment and society. Evaluating the impacts and responsibility of investments is part of UB Asset Management Company's responsible investment processes. The assessment of the principal adverse impacts of investments is also part of these processes, as described in the company's responsible investment principles (<https://unitedbankers.fi/api/content/document/vastuullisen-sijoittamisen-periaatteet?lang=en>). These are complemented by United Bankers' policies for identifying and prioritizing the principal adverse impacts of investments ([ub-pai-statement\\_en\\_created-28-02-2023\\_updated-2025.pdf](#)), which were approved on February 28, 2023, and last updated on April 28, 2025.

UB Asset Management Company Ltd evaluates the principal adverse impacts (PAI) of investments as part of its investment decisions. Principal adverse impacts are considered in all products under Article 8 of the EU Disclosure Regulation (SFDR, 2019/2088). For products under Article 6, indicators are not currently considered or reported due to technical reasons. In the future, reporting will also aim to cover products under Article 6.

UB Asset Management Company's approach to analyzing principal adverse impacts is risk-based. Principal adverse impacts are analyzed in conjunction with sustainability risk analysis and as part of due diligence processes before making investment decisions, and they are regularly monitored during the investment period. Additionally, UB Asset Management Company Ltd, as an active owner in funds managed by UB Fund Management Company Ltd, aims to influence companies to improve their management of sustainability issues, thereby reducing negative impacts on the environment and society and increasing positive impacts. This influencing work is carried out by portfolio managers and United Bankers' ESG team, and it is overseen by United Bankers' sustainability steering group. This work is also reflected in UB Asset Management Company's asset management products through the funds they contain.

Indicators describing sustainability impacts are used to develop the responsibility of investment portfolios in a positive direction. UB Asset Management Company Ltd analyzes the principal adverse impacts of targets on sustainability factors both in the due diligence process and regularly during the investment period. Indicators related to climate change and carbon emissions are particularly utilized in assessing the climate impacts of investments. Portfolio management can select investment targets with good sustainability impact indicators. In the due diligence process, efforts are made to identify targets with exceptionally high or otherwise exceptional principal adverse impacts. Such targets are subject to closer scrutiny, and the reason for the deviation is investigated before making an investment. The sustainability steering group can decide to initiate influencing actions on a target with particularly high adverse impacts or exclude such targets from investments.

Currently, no threshold values have been set for PAI indicators, but these will be established in the future as data coverage improves and as part of United Bankers' SBTi-aligned climate target setting and implementation. United Bankers aims to set SBTi-aligned climate targets by the end of 2025. This ensures that the company's activities align with the goals of the Paris Agreement and support the achievement of long-term Net Zero targets by 2040-2050. Once SBTi-aligned climate targets are set, target values and/or

thresholds for climate-related PAI indicators will be defined in 2026. Measures will also be defined for exceeding these thresholds or target values, which will also apply to UB Asset Management Company Ltd.

Economic activities can have both positive and negative impacts on the environment and society. UB Asset Management Company Ltd considers several indicators describing sustainability impacts in its operations. These include impacts on climate and the environment, respect for human rights, and the prevention of corruption and bribery. UB Asset Management Company Ltd aims to comprehensively consider and report all mandatory indicators describing adverse impacts in its investment decisions. Additionally, UB Asset Management Company Ltd aims to report investments in companies without initiatives to reduce carbon emissions and companies without human rights policies. Detailed information about the indicators considered is provided in the materials for each investment product. UB Asset Management Company Ltd takes into account the following principal adverse impact indicators:

Table 1

Indicators applied to investments in companies as investment targets

1. Greenhouse gas emissions
2. Carbon footprint
3. Greenhouse gas intensity of investee companies
4. Responsibility in companies operating in the fossil fuel sector (exposure)
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity by climate-impactful sector
7. Activities adversely affecting biodiversity-sensitive areas
8. Emissions to water
9. Amount of hazardous and radioactive waste
10. Violations of the UN Global Compact principles and the OECD guidelines for multinational enterprises
11. Lack of processes and mechanisms for monitoring compliance with the UN Global Compact principles or the OECD guidelines for multinational enterprises
12. Unadjusted gender pay gap
13. Gender diversity in the board of directors
14. Exposure to controversial weapons (landmines, cluster munitions, chemical weapons, and biological weapons)

Indicators applicable to investments in sovereigns and supranational organizations

15. Greenhouse gas intensity of investee countries
16. Investee countries that have committed violations of social legislation as defined in international conventions and agreements, United Nations principles, or, where applicable, national legislation

Indicators applicable to investments in real estate assets

17. Exposure to fossil fuel-related risk through real estate assets
18. Exposure to the risk associated with energy inefficient real estate assets

Table 2

Indicators applied to investments in companies as investment targets

4. Investments in companies without initiatives to reduce carbon emissions

Table 3

Indicators applied to investments in companies as investment targets

9. Lack of policies related to human rights

For daily valued bond and equity funds, the information on principal adverse impacts (PAI) is based on data provided by ESG service providers such as Sustainalytics and Morningstar. The reporting for the reference period of 2024 relies on the ESG databases of Morningstar and Sustainalytics and the methodologies used in their creation. For alternative funds and funds investing in real assets, PAI information is sought from the investment targets during due diligence processes and updated at least annually during investment monitoring. Exceptions are targets for which PAI information is not yet available. UB Asset Management Company Ltd continuously strives to improve the methods for assessing principal adverse impacts and to enhance data availability.

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## Engagement Policies

Active ownership is a crucial part of responsible investing for UB Asset Management Company Ltd. As an active owner, United Bankers promotes sustainability in its investment targets by exercising voting rights at general meetings and engaging in discussions with companies. In funds focused on real assets, United Bankers aims to promote sustainability through active asset management. More information on United Bankers' engagement policies can be found in the Principles for Responsible Investment (<https://unit-edbankers.fi/api/content/document/vastuullisen-sijoittamisen-periaatteet?lang=en>) and the Ownership Policy of UB Asset Management Company Ltd and UB Fund Management Company Ltd ([ownership-policy-05012024.pdf](#)). **The engagement measures outlined in the Ownership Policy apply to United Bankers' funds, and the resulting engagement actions are reflected in the funds included in UB Asset Management Company's products. UB Asset Management Company's products do not have independent engagement policies, nor are they subject to independent general sustainability or PAI-related engagement actions.**

The Ownership Policy for funds managed by UB Asset Management Company Ltd and UB Fund Management Company Ltd specify that UB engages with companies on sustainability aspects both independently and in collaboration with other investors. The methods of engagement related to sustainability include 1) Participating in general meetings, 2) Engaging with companies either alone or with other investors, for example, through collaborative engagement initiatives, and 3) Conducting discussions with company representatives and portfolio managers or the responsible investment team during regular company meetings. Voting rights are used at general meetings to promote sustainability themes relevant to the specific vote. UB funds' voting rights aim to promote good governance, respect for human rights, climate change mitigation, transparency, and equality. International voting recommendations and/or the views of the fund's responsible portfolio manager may be used to form voting guidelines. Dialogue with companies is sought for sustainability reasons, either in collaboration with other investors or independently, if the investment target is found to violate UN Global Compact principles. The goal of the dialogue is to promote the correction of violations. Currently, the Ownership Policy for funds managed by UB Asset Management Company Ltd and UB Fund Management Company Ltd do not specify actions based on PAI values, but these will be defined after the group's SBTi-aligned climate targets are set by the end of 2025.

In 2024, United Bankers published a report on the implementation of the Ownership Policy. During 2024, United Bankers' equity funds voted at general meetings through the ISS Proxy Voting service. Votes were cast according to ISS International Sustainability Proxy Voting Guidelines, promoting themes such as transparency, equality, climate change

mitigation, and setting climate targets in target companies. In 2024, 10 funds participated in voting at 365 general meetings, with a total of 4,668 voting items. United Bankers participated in the majority of votes (96 percent), voting in line with company management's views in 92 percent of cases and against management's proposals in 8 percent of cases. Outside the service, United Bankers participated in several general meetings in Finland but did not vote in them.

Additionally, United Bankers' general engagement efforts in 2024 focused on mitigating the negative climate impacts of investments. In 2024, United Bankers supported CDP's Science-Based Targets climate initiative. The engagement campaign encourages companies to set emission reduction targets aligned with the Science Based Targets initiative, covering the entire value chain emissions of the company. These targets, in line with the Paris Agreement, aim to limit the global temperature rise to 1.5 degrees Celsius. CDP sent letters on behalf of United Bankers and other participating organizations to over a thousand companies worldwide.

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## References to International Standards

UB Asset Management Company's assessment of principal adverse sustainability impacts is based on compliance with international agreements and standards. As part of the United Bankers group, UB Asset Management Company Ltd is committed to adhering to the following key international standards and principles:

- United Bankers committed to the UN Principles for Responsible Investment (UN PRI) in 2012. United Bankers continuously develops its operations in accordance with these principles and reports annually to the UN PRI.
- United Bankers aims to consider the risks and opportunities posed by climate change in its investment activities. United Bankers reports on the climate risks of its operations and investments and their management according to the Task Force on Climate-Related Financial Disclosures (TCFD) initiative.
- United Bankers requires that investee companies and partners operate in accordance with international best practices, norms, and agreements. United Bankers requires respect for human rights, anti-corruption measures, and consideration of environmental issues as defined in the UN Global Compact, the OECD Guidelines for Multi-national Enterprises, the UN Guiding Principles on Business and Human Rights, and the ILO Conventions. United Bankers actively seeks to identify potential adverse human rights impacts of its operations in accordance with the UN Guiding Principles on Business and Human Rights.
- United Bankers supports the international Carbon Disclosure Project (CDP) climate initiative and aims to influence the climate-friendliness of its investee companies.
- Forest Stewardship Council (FSC) and Program for the Endorsement of Forest Certification (PEFC) sustainable forest management certifications.
- GRESB Real Estate Assessment for sustainability benchmarking in the real estate sector.

UB Asset Management Company Ltd utilizes the above-described sustainability frameworks to identify sustainability impacts related to investment activities and to apply appropriate approaches to manage and mitigate principal adverse sustainability impacts. UB Asset Management Company Ltd monitors the development of these frameworks and general market developments related to sustainability and best practices and evaluates the best ways to incorporate these standards into its operations.

Examples of internationally recognized reporting frameworks and standards used include the Carbon Disclosure Project (CDP), Task Force on Climate-related Financial Disclosures (TCFD), United Nations Principles for Responsible Investment (UNPRI), and, where applicable, the upcoming EU Corporate Sustainability Reporting Directive (CSRD) European Sustainability Reporting Standards (ESRS). These frameworks are used to identify and analyze adverse climate impacts. The recommendations of these frameworks for the indicators used to assess impacts largely correspond to the indicators related to greenhouse gas emissions described in Table 1 of Annex 1 of Regulation 2022/1288. CDP and TCFD provide recommendations on climate-related information and risks. United Bankers is committed to reporting on the climate risks of its operations according to the TCFD framework. This reporting and the necessary tools and processes for it are continuously developed at United Bankers. In 2024, United Bankers did not extensively use

forward-looking climate scenarios in the assessment of principal adverse impacts. Climate scenarios are considered relevant, but during the past reporting period, climate scenario information or indicators based on it were not yet comprehensively available in the ESG databases used (Sustainalytics and Morningstar). United Bankers' climate targets were compiled in the United Bankers Climate Roadmap published in 2023. United Bankers is committed to setting science-based climate targets according to the Science Based Targets initiative by the end of 2025. Setting climate targets will enable United Bankers to monitor the alignment of its operations with the Paris Agreement. United Bankers aims to achieve the long-term Net Zero target by 2040-2050.

UB Asset Management Company Ltd annually assesses the principal adverse impacts of its operations and investments by responding to the UNPRI questionnaire on responsible investment measures. Based on the assessment provided by UNPRI, the operating principles and practices can be compared to the best market practices, supporting the development of the applied operating principles and practices. UNPRI's assessments are continuously developed, and previous UNPRI surveys have mapped, for example, companies' governance practices related to fossil fuels, human rights, and related commitments, as well as greenhouse gas emissions reporting. These areas are partly in line with the indicators listed in Table 1 of Annex 1 of Regulation 2022/1288.

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### Paris Agreement

UB Asset Management Company Ltd aims to increase the positive impacts of its investments on the environment and society in the long term while reducing their negative impacts. United Bankers strives to promote credible initiatives and measures aimed at reducing carbon emissions and ensuring compliance with the Paris Agreement in the companies it invests in. United Bankers' climate targets were compiled and published in 2023 as part of the United Bankers Climate Roadmap. United Bankers invests in low-carbon and carbon sequestration solutions and aims to increase the carbon sequestration of its investments to exceed the greenhouse gas emissions of its investments by 2030. United Bankers is committed to setting science-based climate targets according to the Science Based Targets initiative by the end of 2025. This commitment ensures that the company's operations align with the goals of the Paris Agreement and supports the achievement of long-term Net Zero targets by 2040-2050. UB Asset Management Company Ltd is included in these targets as part of the UB group.

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### Historical Comparison

The reference period of 2024 marks the third time that information on the principal adverse impacts (PAI) of investments on sustainability factors has been tracked using PAI indicators. The development in 2024 was mainly positive compared to the previous reporting period, with several indicators describing principal adverse impacts showing improvement. A key factor for the potential negative development of indicator values was the significant improvement in data coverage during the reporting period, particularly for indicators related to greenhouse gas emissions. Based on the available data, the Scope 1 greenhouse gas emissions of investment targets tripled in 2024 compared to the previous reporting period. Scope 3 greenhouse gas emissions nearly quadrupled, primarily due to improved data coverage. Additionally, the greenhouse gas intensity of the companies being invested in increased by 43%. We hope that data coverage will remain at a good level in the future, enabling investment decisions to be based on accurate information about the impacts of investment targets on the environment and society. Adequate data coverage is also essential for us to continue reducing the impacts of investments and targeting potential engagement actions. UB Asset Management Company Ltd aims to further reduce the principal adverse impacts of its investments on sustainability factors in the future. Detailed information on the development of the indicators and related observations is described in the tables above.

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