



**PUBLIC TRANSPARENCY REPORT**

**2023**

**LocalTapiola Asset Management Ltd**

Generated 15-12-2023

# About this report

PRI reporting is the largest global reporting project on responsible investment. It was developed with investors, for investors.

PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The public Transparency Reports, which are produced using signatories' reported information, provide accountability and support signatories to have internal discussions about their practices and to discuss these with their clients, beneficiaries, and other stakeholders.

This public Transparency Report is an export of the signatory's responses to the PRI Reporting Framework during the 2023 reporting period. It includes the signatory's responses to core indicators, as well as responses to plus indicators that the signatory has agreed to make public.

In response to signatory feedback, the PRI has not summarised signatories' responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options selected by the signatory are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

## Disclaimers

### Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

### Data accuracy

This document presents information reported directly by signatories in the 2023 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented.

The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.



# Table of Contents

Module	Page
SENIOR LEADERSHIP STATEMENT (SLS)	4
ORGANISATIONAL OVERVIEW (OO)	7
POLICY, GOVERNANCE AND STRATEGY (PGS)	31
MANAGER SELECTION, APPOINTMENT AND MONITORING (SAM)	66
LISTED EQUITY (LE)	81
FIXED INCOME (FI)	89
REAL ESTATE (RE)	99
SUSTAINABILITY OUTCOMES (SO)	111
CONFIDENCE-BUILDING MEASURES (CBM)	130

# SENIOR LEADERSHIP STATEMENT (SLS)

## SENIOR LEADERSHIP STATEMENT

### SENIOR LEADERSHIP STATEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1	CORE	N/A	N/A	PUBLIC	Senior Leadership Statement	GENERAL

#### Section 1. Our commitment

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

LocalTapiola's asset management businesses were merged into a group holding structure, LocalTapiola Asset Management Group (LTAMG) in January 2022. LTAMG consists of three companies with distinct backgrounds and varied histories in sustainable investments. All three companies were previously independent signatories to PRI but as of the financial year 2022, the group holding structure reports to PRI as one entity. LocalTapiola Asset Management Ltd committed to Net Zero Asset Managers Initiative in summer of 2021 and the commitment was extended to cover the whole group holding structure in summer of 2022, when the first intermediary target was set to manage 46% of the AUM in line with net zero targets by 2030.

LocalTapiola Asset Management Ltd (LTAM) is the parent company in the group holding structure. LTAM is an asset manager that takes strong active views on markets. Our investment decisions are based on in-house analysis of market trends and investment objects. In majority of our products, we do not track market indices. Our main objective is maximizing our clients' returns at their chosen risk level, taking into consideration their ESG preferences. As we base our investment philosophy on a long-term fundamental investment approach, we believe that systematically integrating ESG analysis and active ownership practices to investment processes enhances our clients' risk adjusted returns. At LTAM, we believe that our fiduciary duty as an asset manager is to manage the assets trusted into our care with a long-term investment horizon, including but not limited to integrating sustainability considerations in strategic allocation and individual security selection, as well as promoting sustainable business and market practices by pro-actively engaging with the investee companies, voting in their AGMs, and participating in collaborative engagements with companies and policymakers. As such, we are committed to advancing SDGs and goals set by the Paris Agreement through our investments and active ownership practices. We implement ESG integration most fully in our stock and credit picking strategies, where ESG analysis is conducted by PMs simultaneously with traditional fundamental analysis. In our factor-based strategies, we implement ESG integration by utilizing third-party ESG ratings as one parameter of the model's five parameters. We implement ESG integration in our external manager selection process for instance by requiring commitment to the PRI, as well as disclosure of ESG practices. We apply widest exclusion policies in our stock and credit picking as well as factor-based strategies, ranging from norm-based and business activity-based exclusions to climate-based limitations. Our passive equity strategies track PAB indices, customized to include additional DNSH exclusions.



LocalTapiola Real Estate Asset Management Ltd (LTREAM) is a subsidiary of LTAM. At LTREAM, we seek best possible risk adjusted returns for our clients, which are possible to achieve through sustainable choices and approaches. Investment decisions are based on our own analysis of investment markets and investment objects. We perform a sustainability analysis as part of the investment decision. We are an active owner and include the ESG factors in our ownership practices. The Real Estate Asset Management manages 100% of real estates that are included in the real estate fund structures. In partly-owned and JV investment structures, we participate in the Board responsibilities. We promote high-quality maintenance and energy efficiency of our real estate investments in accordance with our ownership practices. We adopted GRESB reporting in 2018. The reporting gives us an unbiased evaluation of the sustainability aspects of our real estate investment and guides the development of our sustainability work.

Seligson & Co Fund Management Company Ltd (SCO) is a subsidiary of LTAM. The primary basis for sustainability at SCO is providing fund management services in a responsible way and emphasising continuity for the fund unit holders. SCO's sustainable investment policy is fund-specific, which explains why the policy does not cover all funds by asset class. SCO implements active ownership in Seligson & Co SFDR Article 8 funds through proxy voting in AGM's outside of Finland.

LocalTapiola Alternative Investment Fund Ltd is an AIF Fund management company and a subsidiary of Real Estate AM (LTREAM) and complies with sustainability policies set up by LTAM and/or LTREAM. The real estate funds managed by LT AIF Fund management are included in the LTREAM reporting.

## Section 2. Annual overview

- Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
- Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
  - refinement of ESG analysis and incorporation
  - stewardship activities with investees and/or with policymakers
  - collaborative engagements
  - attainment of responsible investment certifications and/or awards

LocalTapiola Asset Management Ltd (LTAM) committed to Net Zero Asset Managers Initiative in summer of 2021 and the commitment was extended to cover the whole group holding structure in the spring of 2022. The first intermediary target was set in August 2022 to manage 46% of the AUM in line with net zero targets by 2030. The initial target covers direct equity and fixed income investments managed by LTAM as well as real estate investments managed by LTREAM.

At LTAM, we further improved our ESG integrated analytical toolbox by adding sustainability risk, PAI and net zero indicators to enhance process robustness, transparency and documentation. We achieved our aim to enhance our ESG product offering by launching two index funds tracking PAB indices in European and US equities.

In terms of active ownership, we increased our voting activity during the year, in particular outside of Finland, attending 1,088 AGMs in 40 countries. Among other important and urgent matters, we supported companies' climate plans that were in line with the Paris Agreement and shareholder proposals requesting for instance science-based targets and improved disclosures of environmental and social exposures as well as related risk management measures.

We also participated in collaborative engagements and initiatives relating to systemic ESG themes such as climate change and biodiversity loss. For instance, we signed the 'Moving Together On Nature': Statement from the Private Financial Sector to the Conference of the Parties to the Convention on Biological Diversity and Investor Letter to FAO Calling for Global Roadmap to 2050 for Food and Agriculture. We participated in CDP Non-Disclosure Campaign and Science-Based Targets Campaign. We also continued our participation in Sustainable Proteins Engagement and joined Biodiversity Loss from Waste and Pollution engagement conducted by FAIRR Collier Initiative. At the end of the year, we started collaboration with ISS ESG to further support our norm-based and thematic engagement activities.

At LocalTapiola Real Estate Asset Management (LTREAM), we introduced an extended and improved ESG due diligence process for new investment decisions, consisting of both technical and environmental assessments. We also improved ESG data collection for our real estate investments and introduced measures to contribute to our net zero commitment. The staff was provided with extended ESG training relating in particular to sustainable finance in real estate investments. In GRESB reporting, LTREAM achieved 4 out of 5 stars. During the autumn, we prepared for our first client report regarding sustainability in our real estate investments.

At Seligson & Co Fund Management Company Ltd (SCO), we introduced binding ESG criteria for two new SFDR Article 8 mutual funds. Altogether, SCO mutual funds attended 13 AGMs in Finland and 482 AGMs outside of Finland during the year, adhering to LTAM's voting policy.

Overall, LTAM's ESG organization was strengthened by extending the ESG Steering Committee and ESG Working Group to include the whole group holding structure. An assessment of our whole organisation's ESG training needs was conducted and a training plan for the next year drawn. Our existing ESG training was also further enhanced during the year, in particular to further incorporate various aspects of the EU Sustainable Finance Regulation and its developments.

During 2022, we dedicated considerable resources into implementing the EU SFDR. In line with the SFDR, LTAM published pre-contractual templates for 16 individual Article 8 and 4 individual Article 9 mutual funds, as well as prepared for the first launch of periodical templates in early 2023. Within the group holding structure, we have 43 individual Article 8 mutual funds/AIF's/insurance linked-portfolios across various asset classes and 4 individual Article 9 funds.

### Section 3. Next steps

- What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

In the next few years, we are committed to advancing responsible investment themes outlined in our Climate and SDG strategy. Firstly, LocalTapiola Asset Management Group is committed to the net zero targets. Over the next few years, we will concentrate on implementing our various investment and product strategies in order to achieve the targets. We will also keep up with the development of methodologies and study opportunities to update our initial targets, if needed. We will encourage our asset management clients to make net zero commitments and advise them in their target setting processes. Secondly, we aim to participate in conservation of biodiversity through our investments. We have endorsed the COP15 "Moving Together On Nature" statement and recognized biodiversity as an important theme for engagement. During 2023, we will outline our first Biodiversity Roadmap, in order to analyze exposures to potential biodiversity risks and outline future investment policies relating to biodiversity. We will also further enhance our ESG product offering across all asset classes and improve our ESG data collection as well as disclosure of various ESG characteristics to meet our clients' increasing needs for sustainable investing solutions and transparent disclosures of various ESG exposures.

We intend to further develop our engagement and other active ownership activities and related reporting, in particular regarding systemic ESG issues affecting global markets and economies. In 2023, LTAM started collaboration with ISS ESG to further support our norms-based and thematic engagement activities and year to date have collaborated on four different thematic engagements. We also encourage our PMs and sales personnel to further educate themselves on various established and emerging sustainability topics through both internally organized training and through completing the EFFAS Certified ESG Analyst programme.

In our real estate investments, we are planning to conduct more extended taxonomy and climate risk assessments of our portfolios, as well as to improve our sustainability data collection and reporting. In addition, we have started a project to set new sustainability targets for our operations for the next few years. The targets will be based on materiality analysis.



#### Section 4. Endorsement

'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.

Name

Samu Anttila

Position

CEO

Organisation's Name

LocalTapiola Asset Management Ltd

A

'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.

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## ORGANISATIONAL OVERVIEW (OO)

### ORGANISATIONAL INFORMATION

#### REPORTING YEAR

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 1	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL

What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?

	Date	Month	Year
Year-end date of the 12-month period for PRI reporting purposes:	31	12	2022

## SUBSIDIARY INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2	CORE	N/A	OO 2.1	PUBLIC	Subsidiary information	GENERAL

Does your organisation have subsidiaries?

- (A) Yes
- (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2.1	CORE	OO 2	OO 2.2	PUBLIC	Subsidiary information	GENERAL

Are any of your organisation's subsidiaries PRI signatories in their own right?

- (A) Yes
- (B) No

## ASSETS UNDER MANAGEMENT

### ALL ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 3	N/A	PUBLIC	All asset classes	GENERAL

What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?



**USD**

(A) AUM of your organisation, including subsidiaries, and excluding the AUM subject to execution, advisory, custody, or research advisory only

US\$ 13,712,109,226.00

(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission, as indicated in [OO 2.2]

US\$ 0.00

(C) AUM subject to execution, advisory, custody, or research advisory only

US\$ 247,670,863.00

**ASSET BREAKDOWN**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	OO 3	Multiple indicators	PUBLIC	Asset breakdown	GENERAL

Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].

	(1) Percentage of Internally managed AUM	(2) Percentage of Externally managed AUM
(A) Listed equity	>10-50%	>0-10%
(B) Fixed income	>10-50%	>10-50%
(C) Private equity	0%	>0-10%
(D) Real estate	>10-50%	>0-10%
(E) Infrastructure	0%	0%
(F) Hedge funds	0%	>0-10%
(G) Forestry	0%	0%

(H) Farmland	0%	0%
(I) Other	>0-10%	0%
(J) Off-balance sheet	0%	0%

**(I) Other - (1) Percentage of Internally managed AUM - Specify:**

Cash, cash equivalents and money market deposits

## ASSET BREAKDOWN: EXTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.1	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

**Provide a further breakdown of your organisation's externally managed listed equity and/or fixed income AUM.**

	(1) Listed equity	(2) Fixed income - SSA	(3) Fixed income - corporate	(4) Fixed income - securitised	(5) Fixed income - private debt
(A) Active	>10-50%	>10-50%	>10-50%	0%	>10-50%
(B) Passive	>50-75%	>0-10%	>0-10%		

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2	CORE	OO 5, OO 5.1	SAM 3, SAM 8	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

**Provide a breakdown of your organisation's externally managed AUM between segregated mandates and pooled funds or investments.**



	(1) Segregated mandate(s)	(2) Pooled fund(s) or pooled investment(s)
(A) Listed equity - active	0%	>75%
(B) Listed equity - passive	0%	>75%
(C) Fixed income - active	0%	>75%
(D) Fixed income - passive	0%	>75%
(E) Private equity	0%	>75%
(F) Real estate	0%	>75%
(H) Hedge funds	0%	>75%

## ASSET BREAKDOWN: INTERNALLY MANAGED LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 LE	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed listed equity	GENERAL

### Provide a further breakdown of your internally managed listed equity AUM.

(A) Passive equity	>10-50%
(B) Active – quantitative	>0-10%
(C) Active – fundamental	>10-50%
(D) Other strategies	>10-50%

#### (D) Other strategies - Specify:

Once a year the Seligson & Co Fund Management Company forms a basket to be tracked. The portfolio managers do not actively select stocks during the year.

## ASSET BREAKDOWN: INTERNALLY MANAGED FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 FI	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed fixed income	GENERAL

**Provide a further breakdown of your internally managed fixed income AUM.**

(A) Passive – SSA >0-10%

(B) Passive – corporate >0-10%

(C) Active – SSA >10-50%

(D) Active – corporate >50-75%

(E) Securitised >0-10%

(F) Private debt 0%

## ASSET BREAKDOWN: INTERNALLY MANAGED REAL ESTATE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 RE	CORE	OO 5	N/A	PUBLIC	Asset breakdown: Internally managed real estate	GENERAL

**Provide a further breakdown of your internally managed real estate AUM.**

(A) Retail >10-50%

(B) Office >10-50%

(C) Industrial >0-10%

(D) Residential >10-50%

(E) Hotel	>0-10%
(F) Lodging, leisure and recreation	>0-10%
(G) Education	>0-10%
(H) Technology or science	0%
(I) Healthcare	>10-50%
(J) Mixed use	0%
(K) Other	>0-10%

**(K) Other - Specify:**

Open commitments

## MANAGEMENT BY PRI SIGNATORIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6	CORE	OO 5	N/A	PUBLIC	Management by PRI signatories	GENERAL

**What percentage of your organisation's externally managed assets are managed by PRI signatories?**

>75%

## GEOGRAPHICAL BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 7	CORE	Multiple, see guidance	N/A	PUBLIC	Geographical breakdown	GENERAL

**How much of your AUM in each asset class is invested in emerging markets and developing economies?**

### AUM in Emerging Markets and Developing Economies

(A) Listed equity	(2) >0 to 10%
(B) Fixed income – SSA	(2) >0 to 10%
(C) Fixed income – corporate	(2) >0 to 10%
(D) Fixed income – securitised	(1) 0%
(E) Fixed income – private debt	(2) >0 to 10%
(F) Private equity	(2) >0 to 10%
(G) Real estate	(1) 0%
(I) Hedge funds	(1) 0%

# STEWARDSHIP

## STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship	GENERAL

Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?

	(1) Listed equity - active	(2) Listed equity - passive	(3) Fixed income - active	(4) Fixed income - passive
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(B) Yes, through service providers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Yes, through external managers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) We do not conduct stewardship	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

  

	(5) Private equity	(6) Real estate	(8) Hedge funds	(11) Other
(A) Yes, through internal staff	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(B) Yes, through service providers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



(C) Yes, through external managers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) We do not conduct stewardship	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

## STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9 HF	CORE	OO 5	OO 9	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation have direct investments in listed equity across your hedge fund strategies?

- (A) Yes  
 (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation conduct (proxy) voting activities for any of your listed equity holdings?

(1) Listed equity - active

(2) Listed equity - passive

(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Yes, through external managers	<input type="checkbox"/>	<input type="checkbox"/>
(D) We do not conduct (proxy) voting	<input type="checkbox"/>	<input type="checkbox"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9.1	CORE	OO 9	PGS 10.1, PGS 31	PUBLIC	Stewardship: (Proxy) voting	GENERAL

**For each asset class, on what percentage of your listed equity holdings do you have the discretion to vote?**

**Percentage of your listed equity holdings over which you have the discretion to vote**

(A) Listed equity – active	(10) >80 to 90%
(B) Listed equity - passive	(10) >80 to 90%

## STEWARDSHIP NOT CONDUCTED

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 10	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship not conducted	2

**Describe why your organisation does not currently conduct stewardship and/or (proxy) voting.**

Stewardship, excluding (proxy) voting

(H) Hedge funds

All Hedge Fund investments are pooled funds managed by external managers. They consist only of 0.04% of total AUM and respond to client asset allocation demand within client mandates.

(K) Other

The other category consists of cash, cash equivalents and also some money market assets. Many of these are very short term 'investments'.

# ESG INCORPORATION

## INTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 11	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Internally managed assets	1

**For each internally managed asset class, does your organisation incorporate ESG factors into your investment decisions?**

	(1) Yes, we incorporate ESG factors into our investment decisions	(2) No, we do not incorporate ESG factors into our investment decisions
(A) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - active - quantitative	<input checked="" type="radio"/>	<input type="radio"/>
(C) Listed equity - active - fundamental	<input checked="" type="radio"/>	<input type="radio"/>
(D) Listed equity - other strategies	<input checked="" type="radio"/>	<input type="radio"/>
(E) Fixed income - SSA	<input checked="" type="radio"/>	<input type="radio"/>
(F) Fixed income - corporate	<input checked="" type="radio"/>	<input type="radio"/>
(G) Fixed income - securitised	<input checked="" type="radio"/>	<input type="radio"/>
(J) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(V) Other: Cash, cash equivalents and money market deposits	<input type="radio"/>	<input checked="" type="radio"/>

## EXTERNAL MANAGER SELECTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 12	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager selection	1

For each externally managed asset class, does your organisation incorporate ESG factors when selecting external investment managers?

	(1) Yes, we incorporate ESG factors when selecting external investment managers	(2) No, we do not incorporate ESG factors when selecting external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(D) Fixed income - passive	<input checked="" type="radio"/>	<input type="radio"/>
(E) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(H) Hedge funds	<input checked="" type="radio"/>	<input type="radio"/>

## EXTERNAL MANAGER APPOINTMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 13	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager appointment	1

For each externally managed asset class, does your organisation incorporate ESG factors when appointing external investment managers?

	(1) Yes, we incorporate ESG factors when appointing external investment managers	(2) No, we do not incorporate ESG factors when appointing external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(D) Fixed income - passive	<input checked="" type="radio"/>	<input type="radio"/>
(E) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(H) Hedge funds	<input checked="" type="radio"/>	<input type="radio"/>

## EXTERNAL MANAGER MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 14	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager monitoring	1

For each externally managed asset class, does your organisation incorporate ESG factors when monitoring external investment managers?

	(1) Yes, we incorporate ESG factors when monitoring external investment managers	(2) No, we do not incorporate ESG factors when monitoring external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(D) Fixed income - passive	<input checked="" type="radio"/>	<input type="radio"/>

(E) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(H) Hedge funds	<input checked="" type="radio"/>	<input type="radio"/>

## ESG NOT INCORPORATED

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 16	CORE	OO 11, OO 12–14	N/A	PUBLIC	ESG not incorporated	1

**Describe why your organisation does not currently incorporate ESG factors into your investment decisions.**

Internally managed  
(O) Other

The other category consists of cash, cash equivalents and some money market assets. These are usually cash in bank accounts i.e. the residual of the actual investments decisions or short term deposits.

## ESG STRATEGIES

### LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 LE	CORE	OO 11	OO 17.1 LE, LE 12	PUBLIC	Listed equity	1

**Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active listed equity?**

**Percentage out of total internally managed active listed equity**

(A) Screening alone	0%
(B) Thematic alone	0%
(C) Integration alone	0%
(D) Screening and integration	>10-50%



(E) Thematic and integration	0%
(F) Screening and thematic	0%
(G) All three approaches combined	>50-75%
(H) None	>0-10%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 LE	CORE	OO 17 LE	LE 9	PUBLIC	Listed equity	1

**What type of screening does your organisation use for your internally managed active listed equity assets where a screening approach is applied?**

**Percentage coverage out of your total listed equity assets where a screening approach is applied**

(A) Positive/best-in-class screening only	0%
(B) Negative screening only	0%
(C) A combination of screening approaches	>75%

## FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 FI	CORE	OO 5.3 FI, OO 11	Multiple, see guidance	PUBLIC	Fixed income	1

**Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active fixed income?**

	(1) Fixed income - SSA	(2) Fixed income - corporate	(3) Fixed income - securitised
(A) Screening alone	0%	0%	0%
(B) Thematic alone	0%	0%	0%
(C) Integration alone	0%	0%	0%
(D) Screening and integration	0%	0%	0%
(E) Thematic and integration	0%	0%	0%
(F) Screening and thematic	0%	0%	0%
(G) All three approaches combined	>75%	>75%	>75%
(H) None	0%	0%	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 FI	CORE	OO 17 FI	N/A	PUBLIC	Fixed income	1

**What type of screening does your organisation use for your internally managed active fixed income where a screening approach is applied?**

	(1) Fixed income - SSA	(2) Fixed income - corporate	(3) Fixed income - securitised
(A) Positive/best-in-class screening only	0%	0%	0%
(B) Negative screening only	0%	0%	0%
(C) A combination of screening approaches	>75%	>75%	>75%

# ESG/SUSTAINABILITY FUNDS AND PRODUCTS

## LABELLING AND MARKETING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	OO 11–14	OO 18.1	PUBLIC	Labelling and marketing	1

### Do you explicitly market any of your products and/or funds as ESG and/or sustainable?

(A) Yes, we market products and/or funds as ESG and/or sustainable

Provide the percentage of AUM that your ESG and/or sustainability-marketed products or funds represent:

>50-75%

- (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable
- (C) Not applicable; we do not offer products or funds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.1	CORE	OO 18	OO 18.2	PUBLIC	Labelling and marketing	1

### Do any of your ESG and/or sustainability-marketed products and/or funds hold formal ESG and/or RI certification(s) or label(s) awarded by a third party?

(A) Yes, our ESG and/or sustainability-marketed products and/or funds hold formal labels or certifications

Provide the percentage of AUM that your labelled and/or certified products and/or funds represent:

>10-50%

- (B) No, our ESG and/or sustainability-marketed products and/or funds do not hold formal labels or certifications

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.2	CORE	OO 18.1	N/A	PUBLIC	Labelling and marketing	1

### Which ESG/RI certifications or labels do you hold?

- (A) Commodity type label (e.g. BCI)
- (B) GRESB
- (C) Austrian Ecolabel (UZ49)
- (D) B Corporation
- (E) BREEAM
- (F) CBI Climate Bonds Standard
- (G) DDV-Nachhaltigkeitskodex-ESG-Strategie
- (H) DDV-Nachhaltigkeitskodex-ESG-Impact

- (I) EU Ecolabel
  - (J) EU Green Bond Standard
  - (K) Febelfin label (Belgium)
  - (L) Finansol
  - (M) FNG-Siegel Ecolabel (Germany, Austria and Switzerland)
  - (N) Greenfin label (France)
  - (O) Grüner Pfandbrief
  - (P) ICMA Green Bond Principles
  - (Q) ICMA Social Bonds Principles
  - (R) ICMA Sustainability Bonds Principles
  - (S) ICMA Sustainability-linked Bonds Principles
  - (T) Kein Verstoß gegen Atomwaffensperrvertrag
  - (U) Le label ISR (French government SRI label)
  - (V) Luxflag Climate Finance
  - (W) Luxflag Environment
  - (X) Luxflag ESG
  - (Y) Luxflag Green Bond
  - (Z) Luxflag Microfinance
  - (AA) Luxflag Sustainable Insurance Products
  - (AB) National stewardship code
  - (AC) Nordic Swan Ecolabel
  - (AD) Other SRI label based on EUROSIF SRI Transparency Code (e.g. Novethic)
  - (AE) People's Bank of China green bond guidelines
  - (AF) RIAA (Australia)
  - (AG) Towards Sustainability label (Belgium)
  - (AH) Other
- Specify:

LEED in Real Estate

## PASSIVE INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 19	CORE	OO 5.3 FI, OO 11	LE 8, FI 10	PUBLIC	Passive investments	1

**What percentage of your total internally managed passive listed equity and/or fixed income passive AUM utilise an ESG index or benchmark?**

### Percentage of AUM that utilise an ESG index or benchmark

(A) Listed equity - passive	>50-75%
(B) Fixed income - passive	0%

## THEMATIC BONDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 20	CORE	OO 17 FI	FI 15, FI 17	PUBLIC	Thematic bonds	1

What percentage of your total environmental and/or social thematic bonds are labelled by the issuers in accordance with industry-recognised standards?

**Percentage of your total environmental and/or social thematic bonds labelled by the issuers**

(A) Green or climate bonds	>75%
(B) Social bonds	>0-10%
(C) Sustainability bonds	>0-10%
(D) Sustainability-linked bonds	>10-50%
(E) SDG or SDG-linked bonds	>0-10%
(F) Other	0%
(G) Bonds not labelled by the issuer	0%

## SUMMARY OF REPORTING REQUIREMENTS

## SUMMARY OF REPORTING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 21	CORE	Multiple indicators	Multiple indicators	PUBLIC	Summary of reporting requirements	GENERAL

The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.

Applicable modules	(1) Mandatory to report (pre-filled based on previous responses)	(2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module	(2.2) Voluntary to report. No, I want to opt-out of reporting on the module
Policy, Governance and Strategy	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Confidence Building Measures	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(A) Listed equity – passive	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(B) Listed equity – active – quantitative	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(C) Listed equity – active – fundamental	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(D) Listed equity – other strategies	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(E) Fixed income – SSA	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(F) Fixed income – corporate	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(G) Fixed income – securitised	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
(J) Real estate	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>



(T) External manager selection, appointment and monitoring (SAM) – listed equity - active	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
(U) External manager selection, appointment and monitoring (SAM) – listed equity - passive	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
(V) External manager selection, appointment and monitoring (SAM) – fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(W) External manager selection, appointment and monitoring (SAM) – fixed income - passive	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(X) External manager selection, appointment and monitoring (SAM) – private equity	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
(Y) External manager selection, appointment and monitoring (SAM) – real estate	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
(AA) External manager selection, appointment and monitoring (SAM) – hedge funds	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

## OTHER ASSET BREAKDOWNS

### REAL ESTATE: BUILDING TYPE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 24	CORE	OO 21	RE 1, RE 9 - 10	PUBLIC	Real estate: Building type	GENERAL

What is the building type of your physical real estate assets?

- (A) Standing investments
- (B) New construction
- (C) Major renovation

### REAL ESTATE: OWNERSHIP LEVEL

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 25	CORE	OO 21	N/A	PUBLIC	Real estate: Ownership level	GENERAL

What is the percentage breakdown of your physical real estate assets by the level of ownership?

- (A) A majority stake (more than 50%)
  - Select from the list:
    - (1) >0 to 10%
    - (2) >10 to 50%
    - (3) >50 to 75%
    - (4) >75%
- (B) A significant minority stake (between 10–50%)
  - Select from the list:
    - (1) >0 to 10%
    - (2) >10 to 50%
- (C) A limited minority stake (less than 10%)
  - Select from the list:
    - (1) >0 to 10%
    - (2) >10 to 50%

## REAL ESTATE: MANAGEMENT TYPE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 26	CORE	OO 21	RE 1, RE 6–8, RE 13	PUBLIC	Real estate: Management type	GENERAL

### Who manages your physical real estate assets?

- (A) Direct management by our organisation
- (B) Third-party property managers that our organisation appoints
- (C) Other investors or their third-party property managers
- (D) Tenant(s) with operational control

## SUBMISSION INFORMATION

### REPORT DISCLOSURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 32	CORE	OO 3, OO 31	N/A	PUBLIC	Report disclosure	GENERAL

### How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?

- (A) Publish as absolute numbers
- (B) Publish as ranges

# POLICY, GOVERNANCE AND STRATEGY (PGS)

## POLICY

### RESPONSIBLE INVESTMENT POLICY ELEMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 1	CORE	OO 8, OO 9	Multiple indicators	PUBLIC	Responsible investment policy elements	1, 2

Which elements are covered in your formal responsible investment policy(ies)?

- (A) Overall approach to responsible investment
- (B) Guidelines on environmental factors
- (C) Guidelines on social factors
- (D) Guidelines on governance factors
- (E) Guidelines on sustainability outcomes
- (F) Guidelines tailored to the specific asset class(es) we hold
- (G) Guidelines on exclusions
- (H) Guidelines on managing conflicts of interest related to responsible investment
- (I) Stewardship: Guidelines on engagement with investees
- (J) Stewardship: Guidelines on overall political engagement
- (K) Stewardship: Guidelines on engagement with other key stakeholders
- (L) Stewardship: Guidelines on (proxy) voting
- (M) Other responsible investment elements not listed here
- (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 2	CORE	PGS 1	Multiple, see guidance	PUBLIC	Responsible investment policy elements	1

Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?

- (A) Specific guidelines on climate change (may be part of guidelines on environmental factors)
  - (B) Specific guidelines on human rights (may be part of guidelines on social factors)
  - (C) Specific guidelines on other systematic sustainability issues
- Specify:

LocalTapiola Asset Management Group has a separate policy for Climate Change and SDG strategy, where Biodiversity is one of the topics and on our agenda for further development in 2023. The PMs for LocalTapiola Asset Management Ltd assess investee companies' SDG exposures in their proprietary sustainability analysis. In the analysis, the investee companies' stakeholders are taken into consideration in terms of i.e. employee rights, decent working conditions and how investee companies are adhering to the local laws and tax practices.

- (D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 3	CORE	PGS 1, PGS 2	N/A	PUBLIC	Responsible investment policy elements	6

#### Which elements of your formal responsible investment policy(ies) are publicly available?

**(A) Overall approach to responsible investment**

Add link:

<https://public.egate.fi/lahitapiola/lahitapiola/fi/tiedostot/174703/>

**(B) Guidelines on environmental factors**

Add link:

<https://core-public.editaprima.fi/lahitapiola/download/6355/10>

**(C) Guidelines on social factors**

Add link:

<https://public.egate.fi/lahitapiola/lahitapiola/fi/tiedostot/174703/>

**(D) Guidelines on governance factors**

Add link:

<https://public.egate.fi/lahitapiola/lahitapiola/fi/tiedostot/125138/>

**(E) Guidelines on sustainability outcomes**

Add link:

<https://core-public.editaprima.fi/lahitapiola/download/6355/10>

**(F) Specific guidelines on climate change (may be part of guidelines on environmental factors)**

Add link:

<https://core-public.editaprima.fi/lahitapiola/download/6355/10>

**(G) Specific guidelines on human rights (may be part of guidelines on social factors)**

Add link:

<https://public.egate.fi/lahitapiola/lahitapiola/fi/tiedostot/174703/>

**(H) Specific guidelines on other systematic sustainability issues**

Add link:

<https://core-public.editaprima.fi/lahitapiola/download/6355/10>

**(I) Guidelines tailored to the specific asset class(es) we hold**

Add link:

<https://public.egate.fi/lahitapiola/lahitapiola/fi/tiedostot/174703/>

**(J) Guidelines on exclusions**

Add link:

<https://core-public.editaprima.fi/lahitapiola/download/6354/10>

**(K) Guidelines on managing conflicts of interest related to responsible investment**

Add link:

<https://public.egate.fi/lahitapiola/lahitapiola/fi/tiedostot/174703/>

**(L) Stewardship: Guidelines on engagement with investees**

Add link:

<https://public.egate.fi/lahitapiola/lahitapiola/fi/tiedostot/125138/>

**(O) Stewardship: Guidelines on (proxy) voting**

Add link:

<https://public.egate.fi/lahitapiola/lahitapiola/fi/tiedostot/125138/>

- (Q) No elements of our formal responsible investment policy(ies) are publicly available

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 4	PLUS	PGS 1	N/A	PUBLIC	Responsible investment policy elements	1 – 6

**Does your formal responsible investment policy(ies) identify a link between your responsible investment activities and your fiduciary duties or equivalent obligations?**

**(A) Yes**

Elaborate:

At LocalTapiola Asset Management we believe that our fiduciary duty as an asset manager is to manage the assets trusted into our care with a systematic long-term process, which includes integration of sustainability aspects in strategic allocation, markets and investment objective analysis. Our fiduciary duty is to promote sustainable business and market practices by pro-actively engaging with the investee companies, voting in AGMs and engaging with companies and policymakers through collaborative engagements. We are committed to advancing SDGs and goals set by the Paris Agreement through our investments and active ownership practices.

At LocalTapiola Real Estate Asset Management we seek the best possible risk-return ratio for investors, which is possible to achieve through sustainable choices and approaches. Investment decisions are based on own analysis of investment markets and investment objects. We perform a sustainability analysis as part of the investment decision. We are an active owner and include the ESG factors in our ownership practices. LocalTapiola Real Estate Asset Management manages 100% of real estates that are included in the real estate fund structures.

- (B) No



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 5	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

**Which elements are covered in your organisation's policy(ies) or guidelines on stewardship?**

- (A) Overall stewardship objectives
- (B) Prioritisation of specific ESG factors to be advanced via stewardship activities
- (C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts
- (D) How different stewardship tools and activities are used across the organisation
- (E) Approach to escalation in stewardship
- (F) Approach to collaboration in stewardship
- (G) Conflicts of interest related to stewardship
- (H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa
- (I) Other
- (J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 6	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

**Does your policy on (proxy) voting include voting principles and/or guidelines on specific ESG factors?**

- (A) Yes, it includes voting principles and/or guidelines on specific environmental factors
- (B) Yes, it includes voting principles and/or guidelines on specific social factors
- (C) Yes, it includes voting principles and/or guidelines on specific governance factors
- (D) Our policy on (proxy) voting does not include voting principles or guidelines on specific ESG factors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 7	CORE	OO 9	N/A	PUBLIC	Responsible investment policy elements	2

**Does your organisation have a policy that states how (proxy) voting is addressed in your securities lending programme?**

- (A) We have a publicly available policy to address (proxy) voting in our securities lending programme
- (B) We have a policy to address (proxy) voting in our securities lending programme, but it is not publicly available
- (C) We rely on the policy of our external service provider(s)
- (D) We do not have a policy to address (proxy) voting in our securities lending programme
- (E) Not applicable; we do not have a securities lending programme

## RESPONSIBLE INVESTMENT POLICY COVERAGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 8	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy coverage	1

What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?

### Combined AUM coverage of all policy elements

(A) Overall approach to responsible investment

(B) Guidelines on environmental factors

(C) Guidelines on social factors

(D) Guidelines on governance factors

(6) >90% to <100%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 9	CORE	PGS 2	N/A	PUBLIC	Responsible investment policy coverage	1

What proportion of your AUM is covered by your formal policies or guidelines on climate change, human rights, or other systematic sustainability issues?

### AUM coverage

(A) Specific guidelines on climate change

(2) for a majority of our AUM

(B) Specific guidelines on human rights

(2) for a majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10	CORE	OO 8, OO 9, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

**Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?**

**(A) Listed equity**

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

The Seligson & Co stewardship policy is fund based and is conducted mainly through proxy voting only for SFDR article 8 funds in annual general meetings outside of Finland.

**(B) Fixed income**

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

The Seligson & Co stewardship policy is fund based and it is mainly for the SFDR article 8 funds. There are two passive fixed income funds that have traditional market weighted benchmarks in Euro area sovereigns and euro denominated corporates.

**(C) Private equity**

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%

- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

(D) Real estate

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10.1	CORE	OO 9.1, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

**What percentage of your listed equity holdings is covered by your guidelines on (proxy) voting?**

(A) Actively managed listed equity

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

The method of active ownership in Seligson & Co funds is fund based and conducted through proxy voting in SFDR article 8 funds.

(B) Passively managed listed equity

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

- (11) 100%
- (2) If your AUM coverage is below 100%, explain why: (Voluntary)

The method of active ownership in Seligson & Co funds is fund based and conducted through proxy voting in SFDR article 8 funds.

## GOVERNANCE

### ROLES AND RESPONSIBILITIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11	CORE	N/A	Multiple indicators	PUBLIC	Roles and responsibilities	1

**Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?**

- (A) Board members, trustees, or equivalent
  - (B) Senior executive-level staff, or equivalent
- Specify:

LocalTapiola Asset Management Executive team chaired by the Chief Executive Officer (CEO)

- (C) Investment committee, or equivalent
  - (D) Head of department, or equivalent
- Specify department:

Portfolio Management and ESG

- (E) None of the above bodies and roles have oversight over and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.1	CORE	PGS 1, PGS 2, PGS 11	N/A	PUBLIC	Roles and responsibilities	1, 2

**Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?**

**(1) Board members, trustees, or equivalent**

**(2) Senior executive-level staff, investment committee, head of department, or equivalent**

(A) Overall approach to responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Guidelines on environmental, social and/or governance factors	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Guidelines on sustainability outcomes	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Specific guidelines on climate change (may be part of guidelines on environmental factors)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Specific guidelines on human rights (may be part of guidelines on social factors)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Specific guidelines on other systematic sustainability issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(G) Guidelines tailored to the specific asset class(es) we hold	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(H) Guidelines on exclusions	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(I) Guidelines on managing conflicts of interest related to responsible investment	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Stewardship: Guidelines on engagement with investees	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(M) Stewardship: Guidelines on (proxy) voting	<input type="checkbox"/>	<input checked="" type="checkbox"/>

(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)

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Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.2	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1 – 6

**Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?**

(A) Yes

Describe how you do this:

The CEO of LocalTapiola AM Ltd approves engagements and sign-on letters and therefore ensures alignment with the sustainable investment policies and commitment to principles of PRI

(B) No

(C) Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 12	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1

**In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?**

(A) Internal role(s)

Specify:

Director, Portfolio Management & ESG has the main responsibility for implementing the policies and guidelines for sustainable investments. The Director works closely with the team of PMs who have the day-to-day implementation responsibility and is a supervisor to the dedicated ESG Team. The Director also chairs the LTAM Group ESG Steering Committee and reports to the Executive Team quarterly on RI. There is also ESG Working Group to promote various RI projects on the LTAM group level.

(B) External investment managers, service providers, or other external partners or suppliers

Specify:

The proxy voting for LocalTapiola Asset Management and Seligson & Co Fund Company is executed via a service provider. There is also a customised proxy voting policy with an external partner to include more stringent RI considerations on some specific topics.

- (C) We do not have any internal or external roles with responsibility for implementing responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 13	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

**Does your organisation use responsible investment KPIs to evaluate the performance of your board members, trustees, or equivalent?**

- (A) Yes, we use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent
- (B) No, we do not use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent  
Explain why: (Voluntary)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 14	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

**Does your organisation use responsible investment KPIs to evaluate the performance of your senior executive-level staff (or equivalent), and are these KPIs linked to compensation?**

- (A) Yes, we use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)  
Indicate whether these responsible investment KPIs are linked to compensation
  - (1) KPIs are linked to compensation
    - (2) KPIs are not linked to compensation as these roles do not have variable compensation
    - (3) KPIs are not linked to compensation even though these roles have variable compensation
 Describe: (Voluntary)
- (B) No, we do not use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)



## EXTERNAL REPORTING AND DISCLOSURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 16	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?

- (A) Any changes in policies related to responsible investment
- (B) Any changes in governance or oversight related to responsible investment
- (C) Stewardship-related commitments
- (D) Progress towards stewardship-related commitments
- (E) Climate-related commitments
- (F) Progress towards climate-related commitments
- (G) Human rights-related commitments
- (H) Progress towards human rights-related commitments
- (I) Commitments to other systematic sustainability issues
- (J) Progress towards commitments on other systematic sustainability issues
- (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 17	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?

- (A) Yes, including all governance-related recommended disclosures
  - (B) Yes, including all strategy-related recommended disclosures
  - (C) Yes, including all risk management-related recommended disclosures
  - (D) Yes, including all applicable metrics and targets-related recommended disclosures
  - (E) None of the above
- Add link(s):

[https://core-public.editaprima.fi/lahitapiola/download/2151/10/R-OH-01469-fi\\_Ecua5dBGzD](https://core-public.editaprima.fi/lahitapiola/download/2151/10/R-OH-01469-fi_Ecua5dBGzD)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 18	PLUS	N/A	N/A	PUBLIC	External reporting and disclosures	6

**During the reporting year, to which international responsible investment standards, frameworks, or regulations did your organisation report?**

**(A) Disclosures against the European Union's Sustainable Finance Disclosure Regulation (SFDR)**

Link to example of public disclosures

<https://www.lahitapiola.fi/henkilo/sijoitukset-ja-varainhoito/kestavyys-sijoitustoiminnassa/lisatietoa-kestavyystesta>

- (B) Disclosures against the European Union's Taxonomy
- (C) Disclosures against the CFA's ESG Disclosures Standard
- (D) Disclosures against other international standards, frameworks or regulations
- (E) Disclosures against other international standards, frameworks or regulations
- (F) Disclosures against other international standards, frameworks or regulations
- (G) Disclosures against other international standards, frameworks or regulations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 19	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

**During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?**

**(A) Yes, we publicly disclosed our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement**

Add link(s):

<https://www.lahitapiola.fi/henkilo/sijoitukset-ja-varainhoito/kestavyys-sijoitustoiminnassa/kestavyys-sijoitustoiminnassa>

- (B) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
- (C) Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year

# STRATEGY

## CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 20	CORE	N/A	N/A	PUBLIC	Capital allocation	1

### Which elements do your organisation-level exclusions cover?

- (A) Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services
- (B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries
- (C) Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact
- (D) Exclusions based on our organisation's climate change commitments
- (E) Other elements
- (F) Not applicable; our organisation does not have any organisation-level exclusions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 21	CORE	N/A	N/A	PUBLIC	Capital allocation	1

### How does your responsible investment approach influence your strategic asset allocation process?

- (A) We incorporate ESG factors into our assessment of expected asset class risks and returns
- (B) We incorporate climate change–related risks and opportunities into our assessment of expected asset class risks and returns
- (C) We incorporate human rights–related risks and opportunities into our assessment of expected asset class risks and returns
- (D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns
- (E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns
- (F) Not applicable; we do not have a strategic asset allocation process

## STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 22	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

For the majority of AUM within each asset class, which of the following best describes your primary stewardship objective?

(1) Listed equity      (2) Fixed income      (3) Private equity      (4) Real estate

(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.

(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 23	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How does your organisation, or the external service providers or external managers acting on your behalf, prioritise the investees or other entities on which to focus its stewardship efforts?

We at LocalTapiola Asset Management assess the materiality of various sustainability factors, the size of our holding in the investee company and in which region of the world the investee company operates when prioritizing stewardship efforts. We are committed to Net Zero Asset Managers Initiative and therefore systemic issues such as climate change are on our agenda through for example CDP Non-disclosure and SBTi campaigns and Climate Action 100+ even though we might not have holdings in the targeted companies.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?**

- (A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible
- (B) We collaborate on a case-by-case basis
- (C) Other
- (D) We do not join collaborative stewardship efforts

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24.1	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**Elaborate on your organisation's default position on collaborative stewardship, or the position of the external service providers or external investment managers acting on your behalf, including any other details on your overall approach to collaboration.**

We assess the relevance to our portfolios when deciding in which collaborative engagements we participate. We prefer engagements where the target companies are our investee companies and/or the focus is on a systemic issue such as climate change. Due to our limited resources, we usually take a supporter role in these engagements and work on a few collaborative engagements simultaneously. Our aim is to engage together with other investors, give our support to the engagement and also learn best practice guidelines by being active member in the engagement. Our PM can continue dialogue in the meetings with the investee companies or ask for further disclosure.

LocalTapiola Asset Management group is committed to Net Zero Asset Managers Initiative and therefore systemic issues such as climate change are on LocalTapiola Asset Management's agenda through for example CDP Non-disclosure and SBTi campaigns and Climate Action 100+ even though we might not have a holding in the targeted companies.

Additionally, LocalTapiola Asset Management has started collaborative engagement with a service provider in January 2023 on 4 systemic themes and on norms-based engagement.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 25	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Rank the channels that are most important for your organisation in achieving its stewardship objectives.

- (A) Internal resources, e.g. stewardship team, investment team, ESG team, or staff  
Select from the list:  
 1
- (B) External investment managers, third-party operators and/or external property managers, if applicable  
Select from the list:  
 4
- (C) External paid specialist stewardship services (e.g. engagement overlay services or, in private markets, sustainability consultants) excluding investment managers, real assets third-party operators, or external property managers  
Select from the list:  
 3
- (D) Informal or unstructured collaborations with investors or other entities  
Select from the list:  
 5
- (E) Formal collaborative engagements, e.g. PRI-coordinated collaborative engagements, Climate Action 100+, or similar  
Select from the list:  
 2
- (F) We do not use any of these channels

## STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 29	CORE	OO 9, PGS 1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

When you use external service providers to give recommendations, how do you ensure those recommendations are consistent with your organisation's (proxy) voting policy?

- (A) Before voting is executed, we review external service providers' voting recommendations for controversial and high-profile votes  
Select from the below list:
  - (1) in all cases
  - (2) in a majority of cases
  - (3) in a minority of cases

(B) Before voting is executed, we review external service providers' voting recommendations where the application of our voting policy is unclear

Select from the below list:

- (1) in all cases
- (2) in a majority of cases
- (3) in a minority of cases

(C) We ensure consistency with our voting policy by reviewing external service providers' voting recommendations only after voting has been executed

- (D) We do not review external service providers' voting recommendations
- (E) Not applicable; we do not use external service providers to give voting recommendations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 30	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

How is voting addressed in your securities lending programme?

- (A) We recall all securities for voting on all ballot items
- (B) When a vote is deemed important according to pre-established criteria (e.g. high stake in the company), we recall all our securities for voting
- (C) Other
- (D) We do not recall our securities for voting purposes
- (E) Not applicable; we do not have a securities lending programme

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 31	CORE	OO 9.1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

For the majority of votes cast over which you have discretion to vote, which of the following best describes your decision making approach regarding shareholder resolutions (or that of your external service provider(s) if decision making is delegated to them)?

- (A) We vote in favour of resolutions expected to advance progress on our stewardship priorities, including affirming a company's good practice or prior commitment
- (B) We vote in favour of resolutions expected to advance progress on our stewardship priorities, but only if the investee company has not already publicly committed to the action(s) requested in the proposal
- (C) We vote in favour of shareholder resolutions only as an escalation measure
- (D) We vote in favour of the investee company management's recommendations by default
- (E) Not applicable; we do not vote on shareholder resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 32	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

During the reporting year, how did your organisation, or your external service provider(s), pre-declare voting intentions prior to voting in annual general meetings (AGMs) or extraordinary general meetings (EGMs)?

- (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system on the Resolution Database
- (B) We pre-declared our voting intentions publicly by other means, e.g. through our website
- (C) We privately communicated our voting decision to investee companies prior to the AGM/EGM
- (D) We did not privately or publicly communicate our voting intentions prior to the AGM/EGM
- (E) Not applicable; we did not cast any (proxy) votes during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33	CORE	OO 9	PGS 33.1	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, do you publicly disclose your (proxy) voting decisions or those made on your behalf by your external service provider(s), company by company and in a central source?

- (A) Yes, for all (proxy) votes  
Add link(s):  
<https://vds.issgovernance.com/vds/#!/MTMyNzc3/>
- (B) Yes, for the majority of (proxy) votes
- (C) Yes, for a minority of (proxy) votes
- (D) No, we do not publicly report our (proxy) voting decisions company-by-company and in a central source

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33.1	CORE	PGS 33	N/A	PUBLIC	Stewardship: (Proxy) voting	2

In the majority of cases, how soon after an investee's annual general meeting (AGM) or extraordinary general meeting (EGM) do you publish your voting decisions?

- (A) Within one month of the AGM/EGM
- (B) Within three months of the AGM/EGM
- (C) Within six months of the AGM/EGM
- (D) Within one year of the AGM/EGM
- (E) More than one year after the AGM/EGM



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 34	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, did your organisation, and/or the external service provider(s) acting on your behalf, communicate the rationale for your voting decisions during the reporting year?

	(1) In cases where we abstained or voted against management recommendations	(2) In cases where we voted against an ESG-related shareholder resolution
(A) Yes, we publicly disclosed the rationale	(1) for all votes	(1) for all votes
(B) Yes, we privately communicated the rationale to the company		
(C) We did not publicly or privately communicate the rationale, or we did not track this information	○	○
(D) Not applicable; we did not abstain or vote against management recommendations or ESG-related shareholder resolutions during the reporting year	○	○

**(A) Yes, we publicly disclosed the rationale - Add link(s):**

[https://core-public.editaprima.fi/lahitapiola/download/2151/10/R-OH-01469-fi\\_Ecua5dBGzD](https://core-public.editaprima.fi/lahitapiola/download/2151/10/R-OH-01469-fi_Ecua5dBGzD)  
<https://vds.issgovernance.com/vds#/MTMyNzc3/>

## STEWARDSHIP: ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 36	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Escalation	2

**For your listed equity holdings, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?**

### (1) Listed equity

(A) Joining or broadening an existing collaborative engagement or creating a new one



(B) Filing, co-filing, and/or submitting a shareholder resolution or proposal



(C) Publicly engaging the entity, e.g. signing an open letter



(D) Voting against the re-election of one or more board directors



(E) Voting against the chair of the board of directors, or equivalent, e.g. lead independent director



(F) Divesting



(G) Litigation



(H) Other



(I) In the past three years, we did not use any of the above escalation measures for our listed equity holdings

o

**(H) Other - (1) Listed equity - Specify:**

At LocalTapiola Asset Management Ltd the portfolio manager contacts the investee company if there are any alleged ESG incidents to enquire further details and to start a dialogue with the investee company. According to our Escalation policy, the pm writes a report to the Director, Portfolio Management & ESG and they decide on the action to take. The Group ESG Steering Committee is informed of all the materially relevant incidents.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 37	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

**For your corporate fixed income assets, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?**

- (A) Joining or broadening an existing collaborative engagement or creating a new one
- (B) Publicly engaging the entity, e.g. signing an open letter
- (C) Not investing
- (D) Reducing exposure to the investee entity
- (E) Divesting
- (F) Litigation
- (G) Other
- o (H) In the past three years, we did not use any of the above escalation measures for our corporate fixed income assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 38	PLUS	OO 8, OO 5.3 FI	N/A	PUBLIC	Stewardship: Escalation	2

**Describe your approach to escalation for your internally managed SSA and/or private debt fixed income assets.**

(A) SSA - Approach to escalation

At LocalTapiola Asset Management, depending on positions and reasons for escalation we would either not invest, reduce exposure or divest. In Seligson & Co's passive SSA fund there are no active escalation measures as the fund follows traditional euro area sovereign benchmark. We do not have any internally managed private debt assets.

## STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39	CORE	OO 8, OO 9	PGS 39.1, PGS 39.2	PUBLIC	Stewardship: Engagement with policy makers	2

Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?

- (A) Yes, we engaged with policy makers directly
- (B) Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI
- (C) Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI
- (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.1	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?

- (A) We participated in 'sign-on' letters
- (B) We responded to policy consultations
- (C) We provided technical input via government- or regulator-backed working groups
- (D) We engaged policy makers on our own initiative
- (E) Other methods

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.2	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?

- (A) We publicly disclosed all our policy positions
- (B) We publicly disclosed details of our engagements with policy makers

Add link(s):

<https://public.egate.fi/lahitapiola/lahitapiola/fi/tiedostot/226920/>

- (C) No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year

## STEWARDSHIP: EXAMPLES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 40	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Examples	2

**Provide examples of stewardship activities that you conducted individually or collaboratively during the reporting year that contributed to desired changes in the investees, policy makers or other entities with which you interacted.**

(A) Example 1:

Title of stewardship activity:

FAIRR Sustainable Proteins Engagement

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

The collaborative engagement was led by FAIRR. In the investee company meeting our portfolio manager participated as one of four investors who had been invited to this engagement meeting. This is an ongoing engagement which started already in 2020 and our PM's has been involved from the start. This engagement has given further proof that the investee companies involved are making progress in transitioning their processes and product lines towards climate friendlier solutions.

(B) Example 2:

Title of stewardship activity:

CDP Science-based Targets Campaign

- (1) Led by
  - (1) Internally led
  - (2) External service provider led
  - (3) Led by an external investment manager, real assets third-party operator and/or external property manager
- (2) Primary focus of stewardship activity
  - (1) Environmental factors
  - (2) Social factors
  - (3) Governance factors
- (3) Asset class(es)
  - (1) Listed equity
  - (2) Fixed income
  - (3) Private equity
  - (4) Real estate
  - (5) Infrastructure
  - (6) Hedge funds
  - (7) Forestry
  - (8) Farmland
  - (9) Other
- (4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

LocalTapiola Asset Management Ltd participated in CDP's SBTi Campaign for the third year running. We supported the campaign and also published our participation on our social media and website.

Our portfolio managers are also contacting individually those of our portfolio investee companies who have not yet adopted SBTs. In 2022 our PMs contacted 45 companies.

(C) Example 3:

Title of stewardship activity:

CDP Non-disclosure Campaign

- (1) Led by
  - (1) Internally led
  - (2) External service provider led
  - (3) Led by an external investment manager, real assets third-party operator and/or external property manager
- (2) Primary focus of stewardship activity
  - (1) Environmental factors
  - (2) Social factors
  - (3) Governance factors
- (3) Asset class(es)
  - (1) Listed equity
  - (2) Fixed income
  - (3) Private equity
  - (4) Real estate
  - (5) Infrastructure
  - (6) Hedge funds
  - (7) Forestry
  - (8) Farmland
  - (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

LocalTapiola Asset Management Ltd participated in CDP's Non-Disclosure Campaign for the fifth year running. We encouraged 80 of our investee companies to report on either Climate, Water security or Forest or any combinations of the themes. We published our participation on our social media and website.

Our portfolio managers contacted individually afterwards 28 investee companies who not yet report on climate in line with TCFD recommendations.

(D) Example 4:

Title of stewardship activity:

Proxy voting and predeclaration of voting intentions on shareholder proposal

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

LocalTapiola Asset Management Ltd voted on behalf of our asset management clients FOR and predeclared our voting intentions on PRI Collaboration Platform on Pepsi Co's shareholder proposal 4 to Report on External Public Health Costs.

A vote FOR warranted as shareholders would benefit from an increased disclosures and understanding of the use of sugar in the company's products and its role for the health concerns.

(E) Example 5:

Title of stewardship activity:

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

- (3) Asset class(es)
- (1) Listed equity
  - (2) Fixed income
  - (3) Private equity
  - (4) Real estate
  - (5) Infrastructure
  - (6) Hedge funds
  - (7) Forestry
  - (8) Farmland
  - (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

## CLIMATE CHANGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41	CORE	N/A	PGS 41.1	PUBLIC	Climate change	General

### Has your organisation identified climate-related risks and opportunities affecting your investments?

**(A) Yes, within our standard planning horizon**

Specify the risks and opportunities identified and your relevant standard planning horizon:

Among the risks identified are both physical and transition risks. The physicals risk i.e. temperature changes, rising mean temperature, changing precipitation patterns and types, changes in precipitation, floods, storms, heavy rainfall, unexpected changes driven by weather. The transition risks: changing consumption patterns of customers, rising cost of raw materials, rising costs of CO2 emission trading, more stringent emission reporting obligations, replacing existing products and services with lower emission alternatives, costs from transitioning to low emission technology.

At LocalTapiola Asset Management, the portfolio managers conduct their own sustainability analysis to identify climate-related risks and opportunities among other sustainability risks and opportunities. In their analysis they assess for example PAI indicators, SDG exposures and whether the investee company has adopted Science-based Targets on their transition to net zero. We aim to minimize the risks with our climate-related exclusion strategies and avoiding investments in possible stranded assets. We also have sustainable article 9 funds in our fund offering in which we invest in for example green bonds and investee companies creating services and products for the green transition.

At LocalTapiola Real Estate Asset Management, ahead of new real estate investment decisions, our sustainability analysis addresses the climate risks (transition and physical risks) introduced by climate change as well as social risks. Additionally, we have identified some of the potential impacts that climate risks may exercise on our real estate and have taken account of them since 2020 as part of our risk management plan, revised annually. Apart from the actual climate risks, as part of our risk management, we also review the social risks introduced by climate change.

**(B) Yes, beyond our standard planning horizon**

Specify the risks and opportunities identified and your relevant standard planning horizon:



We identify and assess the same risks mentioned in answer A) both physical and transition risks affecting our operations and investments in the longer term.

At LocalTapiola Asset Management, the portfolio managers conduct their own sustainability analysis of each investee company and in the analysis they assess for example PAI indicators, SDG exposures and whether the investee company has adopted Science-based Targets on their transition to net zero. A SWOT analysis, which also takes into account longer term horizons, is also prepared. There is an annual assessment of the resilience of internally managed listed equity and corporate credit mutual funds using PACTA scenarios. The PACTA tool uses the IEA Sustainable Development scenario (SDS).

At LTREAM, transitioning towards a low-carbon society entails a host of risks while also opening up opportunities. We have assessed our transition risks in accordance with the TCFD (Task Force on Climate-related Financial Disclosures) framework, which divides transition risks into four categories of risk: policy and legal risk, technology risk, market risk, and reputation risk.

- (C) No, we have not identified climate-related risks and/or opportunities affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41.1	CORE	PGS 41	N/A	PUBLIC	Climate change	General

**Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?**

- (A) Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

LocalTapiola Asset Management Group is committed to Net Zero Asset Managers Initiative and our first intermediary target is to manage 46% of the AUM in line with Net Zero targets by 2030. In our transition strategy we are monitoring our sustainable fund offering for our clients and we have now introduced two new PAB equity index funds to supplement our existing global sustainable environment equity and our green bond fund. We calculate CO2 emissions and publish them on the website for all LocalTapiola Asset Management internally managed equity and corporate credit funds except for the green bond fund. LocalTapiola Asset Management's Active ownership policy states various aspects where the climate-related risks and opportunities are taken into consideration. For example, at AGMs we support companies' climate plans that are in line with Paris Agreement. We also support shareholder proposals requesting eg science-based targets and better disclosure of Climate and social exposures and risk management.

LocalTapiola Asset Management Group Holding structure has published its first Climate and Sustainable Development strategy in which there are also forward looking transition considerations for listed assets and for real estate investments and construction. We also work closely with the LocalTapiola Insurance Group in assessing the carbon footprint of the operations and the investments within the limitations of data availability.

As part of the Net Zero commitment, LocalTapiola Real Estate Asset Management is committed to Net Zero Carbon Buildings Commitment and thereby to the net zero of their real estate's energy consumption by 2025 and construction by 2030. LTREAM has also published a roadmap to the aforementioned targets in order to monitor and assess the transition. At LTREAM, transitioning towards a low-carbon society entails a host of risks while also opening up opportunities. We have assessed our transition risks in accordance with the TCFD (Task Force on Climate-related Financial Disclosures) framework, which divides transition risks into four categories of risk: policy and legal risk, technology risk, market risk, and reputation risk. The processes and regular risk assessment pay particular attention to the management of the material transition risks. The materiality assessment will be updated as necessary.

- (B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 42	PLUS	N/A	N/A	PUBLIC	Climate change	General

### Which sectors are covered by your organisation's strategy addressing high-emitting sectors?

(A) Coal

Describe your strategy:

No investments in companies where 20 percent of revenue comes from brown/thermal coal or peat used in energy production or in energy producers with at least 20 percent of activity based on these raw materials without a trustworthy transition plan in LocalTapiola Asset Management's internally managed listed equities or corporate credits. No investments in mining, energy companies or utilities who invest in new brown/thermal coal or peat projects.

(B) Gas

Describe your strategy:

LTAM avoids investing in worst-in-class (based on carbon intensity) companies in the energy and materials sectors instead we aim at investing in the best-in-class companies or companies that have a clear plan to improve their operations.

(C) Oil

Describe your strategy:

LTAM avoids investing in worst-in-class (based on carbon intensity) companies in the energy and materials sectors instead we aim at investing in the best-in-class companies or companies that have a clear plan to improve their operations.

(D) Utilities

Describe your strategy:

No investments in companies where 20 percent of revenue comes from brown/thermal coal or peat used in energy production or in energy producers with at least 20 percent of activity based on these raw materials without a trustworthy transition plan in LocalTapiola Asset Management's internally managed listed equities or corporate credits. No investments in mining, energy companies or utilities who invest in new brown/thermal coal or peat projects.

(E) Cement

Describe your strategy:

LTAM avoids investing in worst-in-class (based on carbon intensity) companies in the energy and materials sectors instead we aim at investing in the best-in-class companies or companies that have a clear plan to improve their operations.

**(F) Steel**

Describe your strategy:

LTAM avoids investing in worst-in-class (based on carbon intensity) companies in the energy and materials sectors instead we aim at investing in the best-in-class companies or companies that have a clear plan to improve their operations.

**(G) Aviation**

Describe your strategy:

LTAM avoids investing in worst-in-class (based on carbon intensity) companies in aviation & shipping. In these sectors we aim at investing in the best-in-class companies or companies that have a clear plan to improve their operations.

(H) Heavy duty road

(I) Light duty road

**(J) Shipping**

Describe your strategy:

LTAM avoids investing in worst-in-class (based on carbon intensity) companies in aviation & shipping. In these sectors we aim at investing in the best-in-class companies or companies that have a clear plan to improve their operations.

**(K) Aluminium**

Describe your strategy:

LTAM avoids investing in worst-in-class (based on carbon intensity) companies in the energy and materials sectors instead we aim at investing in the best-in-class companies or companies that have a clear plan to improve their operations.

(L) Agriculture, forestry, fishery

**(M) Chemicals**

Describe your strategy:

LTAM avoids investing in worst-in-class (based on carbon intensity) companies in the energy and materials sectors instead we aim at investing in the best-in-class companies or companies that have a clear plan to improve their operations.

(N) Construction and buildings

(O) Textile and leather

(P) Water

(Q) Other

(R) We do not have a strategy addressing high-emitting sectors

**Provide a link(s) to your strategy(ies), if available**

<https://core-public.editaprima.fi/lahitapiola/download/6355/10>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 43	CORE	N/A	N/A	PUBLIC	Climate change	General

**Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?**

- (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)
- (B) Yes, using the One Earth Climate Model scenario
- (C) Yes, using the International Energy Agency (IEA) Net Zero scenario
- (D) Yes, using other scenarios**

Specify:

LTAM has assessed the resilience of internally managed listed equity and corporate credit mutual funds using PACTA scenarios. The PACTA tool uses the IEA Sustainable Development scenario (SDS).

- (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 44	CORE	N/A	N/A	PUBLIC	Climate change	General

**Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?**

**(A) Yes, we have a process to identify and assess climate-related risks**

(1) Describe your process

At LTAM we encourage the investee companies to adopt SBT's and report on their climate policies, governance and risks in accordance with the TCFD recommendations. We use company reporting as our primary source but supplement it with various external data sources when our PMs analyse the investee companies including sustainability and climate analysis in our stock- and credit-picking strategies. The PM's sustainability analysis toolbox has been updated in 2022 to include for example more detailed information on SDG, Net Zero analysis and PAI analysis.

We evaluate the materiality of climate-related risks based on our investee companies' operations. For each company we invest in we define the most material risks and assess how our investee companies manage those risks. In addition, we evaluate the severity of the risk and how the risk should affect our portfolio construction.

In our external manager selection and monitoring we assess the external manager's Net Zero commitment and their climate policies, governance and reporting. This information is taken into considering when assigning LocalTapiola Asset Management sustainability score for our external managers.

(2) Describe how this process is integrated into your overall risk management

Management at LTAM is responsible for overseeing that risk management measures including climate-related risks are in place and that these are followed. Our middle office control function is responsible for monitoring that climate-related exclusion policies are followed. Our PMs have the responsibility for integrating climate-related risks and opportunities into the investment analysis and valuation models. PMs are also responsible for monitoring and limiting the portfolio-level exposures to climate-related risks.

TCFD-aligned CO2 reporting of LTAM's internally managed listed equity and corporate credit funds except for the green bond fund is published twice a year and a more extensive Sustainability report of our investments annually. This report is approved by both the ESG Steering Committee and the Executive Team and then presented to the Board.

**(B) Yes, we have a process to manage climate-related risks**

(1) Describe your process

Management at LTAM is responsible for overseeing that risk management measures including climate-related risks are in place and that these are followed. Our middle office control function is responsible for monitoring that climate-related exclusion policies are followed and our PMs have the responsibility for integrating climate-related risks and opportunities into the investment analysis and valuation models. PMs are also responsible for monitoring and limiting portfolio-level exposures to climate-related risks.

(2) Describe how this process is integrated into your overall risk management

Management at LTAM is responsible for overseeing that there are adequate professional resources to assess climate-related risks and opportunities and that there is training for personnel on various sustainability aspects on a regular basis.

Since last reporting to the PRI, LTAM has hired a chief risk officer who has attendance in Executive Team meetings.

- (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 45	CORE	N/A	N/A	PUBLIC	Climate change	General

**During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and disclose?**

- (A) Exposure to physical risk
- (B) Exposure to transition risk
- (C) Internal carbon price
- (D) Total carbon emissions**
  - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
    - (1) Metric or variable used
    - (2) Metric or variable used and disclosed
    - **(3) Metric or variable used and disclosed, including methodology**
  - (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable
    - <https://public.egate.fi/lahitapiola/lahitapiola/fi/tiedostot/147232/>
- (E) Weighted average carbon intensity**
  - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
    - (1) Metric or variable used
    - (2) Metric or variable used and disclosed
    - **(3) Metric or variable used and disclosed, including methodology**
  - (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable
    - <https://public.egate.fi/lahitapiola/lahitapiola/fi/tiedostot/147232/>
- (F) Avoided emissions
- (G) Implied Temperature Rise (ITR)
- (H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals
- (I) Proportion of assets or other business activities aligned with climate-related opportunities
- (J) Other metrics or variables
- (K) Our organisation did not use or disclose any climate risk metrics or variables affecting our investments during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 46	CORE	N/A	N/A	PUBLIC	Climate change	General

**During the reporting year, did your organisation disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?**

**(A) Scope 1 emissions**

(1) Indicate whether this metric was disclosed, including the methodology

○ (1) Metric disclosed

● **(2) Metric and methodology disclosed**

(2) Provide links to the disclosed metric and methodology, as applicable

<https://public.egate.fi/lahitapiola/lahitapiola/fi/tiedostot/147232/>

<https://lt.altusinvestor.com/render/document/released-snapshot/category/69/reference/LT/lang/fi>

**(B) Scope 2 emissions**

(1) Indicate whether this metric was disclosed, including the methodology

○ (1) Metric disclosed

● **(2) Metric and methodology disclosed**

(2) Provide links to the disclosed metric and methodology, as applicable

<https://public.egate.fi/lahitapiola/lahitapiola/fi/tiedostot/147232/>

<https://lt.altusinvestor.com/render/document/released-snapshot/category/69/reference/LT/lang/fi>

**(C) Scope 3 emissions (including financed emissions)**

(1) Indicate whether this metric was disclosed, including the methodology

○ (1) Metric disclosed

● **(2) Metric and methodology disclosed**

(2) Provide links to the disclosed metric and methodology, as applicable

<https://lt.altusinvestor.com/render/document/released-snapshot/category/69/reference/LT/lang/fi>

○ (D) Our organisation did not disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year

## SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47	CORE	N/A	Multiple indicators	PUBLIC	Sustainability outcomes	1, 2

**Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?**

- (A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities
- (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.1	CORE	PGS 47	N/A	PUBLIC	Sustainability outcomes	1, 2

**Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?**

- (A) The UN Sustainable Development Goals (SDGs) and targets
- (B) The UNFCCC Paris Agreement
- (C) The UN Guiding Principles on Business and Human Rights (UNGPs)
- (D) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- (E) The EU Taxonomy
- (F) Other relevant taxonomies
- (G) The International Bill of Human Rights
- (H) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- (I) The Convention on Biological Diversity
- (J) Other international framework(s)
- (K) Other regional framework(s)
- (L) Other sectoral/issue-specific framework(s)
- (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.2	CORE	PGS 47	PGS 48	PUBLIC	Sustainability outcomes	1, 2

What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?

- (A) Identify sustainability outcomes that are closely linked to our core investment activities
- (B) Consult with key clients and/or beneficiaries to align with their priorities
- (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irreparable character
- (D) Identify sustainability outcomes that are closely linked to systematic sustainability issues
- (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)
- (F) Understand the geographical relevance of specific sustainability outcome objectives
- (G) Other method
- (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48	CORE	PGS 47.2	PGS 48.1, SO 1	PUBLIC	Sustainability outcomes	1, 2

Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?

- (A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities
- (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48.1	PLUS	PGS 48	N/A	PUBLIC	Sustainability outcomes	1, 2

Why has your organisation taken action on specific sustainability outcomes connected to its investment activities?

- (A) We believe that taking action on sustainability outcomes is relevant to our financial risks and returns over both short- and long-term horizons
- (B) We believe that taking action on sustainability outcomes, although not yet relevant to our financial risks and returns, will become so over a long-time horizon
- (C) We have been requested to do so by our clients and/or beneficiaries
- (D) We want to prepare for and respond to legal and regulatory developments that are increasingly addressing sustainability outcomes
- (E) We want to protect our reputation, particularly in the event of negative sustainability outcomes connected to investments
- (F) We want to enhance our social licence-to-operate (i.e. the trust of beneficiaries, clients, and other stakeholders)
- (G) We believe that taking action on sustainability outcomes in parallel to financial return goals has merit in its own right
- (H) Other



# MANAGER SELECTION, APPOINTMENT AND MONITORING (SAM)

## OVERALL APPROACH

### EXTERNAL INVESTMENT MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 1	CORE	OO 21	N/A	PUBLIC	External investment managers	4

For the majority of your externally managed AUM in each asset class, which responsible investment aspects does your organisation consider important in the assessment of external investment managers?

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)	(4) Fixed income (passive)	(5) Private equity
<b>Organisation</b>					
(A) Commitment to and experience in responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Responsible investment policy(ies)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Governance structure and senior-level oversight and accountability	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>People and Culture</b>					
(D) Adequate resourcing and incentives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Staff competencies and experience in responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

## Investment Process

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(F) Incorporation of material ESG factors in the investment process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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(G) Incorporation of risks connected to systematic sustainability issues in the investment process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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## Stewardship

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(I) Policy(ies) or guidelines on stewardship	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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(J) Policy(ies) or guidelines on (proxy) voting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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(K) Use of stewardship tools and activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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(L) Incorporation of risks connected to systematic sustainability issues in stewardship practices	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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(M) Involvement in collaborative engagement and stewardship initiatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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(N) Engagement with policy makers and other non-investee stakeholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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(O) Results of stewardship activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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## Performance and Reporting

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(P) ESG disclosure in regular client reporting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(Q) Inclusion of ESG factors in contractual agreements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(R) We do not consider any of the above responsible investment aspects important in the assessment of external investment managers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## SERVICE PROVIDERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 2	CORE	OO 21	N/A	PUBLIC	Service providers	4

Which responsible investment aspects does your organisation consider important when assessing all service providers that advise you in the selection, appointment and/or monitoring of external investment managers?

- (A) Incorporation of their responsible investment policy into advisory services
- (B) Ability to accommodate our responsible investment policy
- (C) Level of staff's responsible investment expertise
- (D) Use of data and analytical tools to assess the external investment manager's responsible investment performance
- (E) Other
- (F) We do not consider any of the above responsible investment aspects important when assessing service providers that advise us in the selection, appointment and/or monitoring of external investment managers
- (G) Not applicable; we do not engage service providers in the selection, appointment or monitoring of external investment managers

## POOLED FUNDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 3	PLUS	OO 5.2, OO 21	N/A	PUBLIC	Pooled funds	4

If you invest in pooled funds, describe how you incorporate responsible investment aspects into the selection, appointment and/or monitoring of external investment managers.

**Provide example(s) below**

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LocalTapiola Asset Management group is a long term investor in most pooled funds we invest in and therefore we emphasize the due diligence review when selecting external managers. For external managers in listed assets, the PRI signatory status is a prerequisite. For PE & PD pooled fund investments we require the managers to be either PRI signatories or that they have their own, written ESG policy that adheres to PRI principles.

(A) Selection

When selecting new managers, we carefully evaluate how the external manager operates and carry out a Due Diligence review using fund documentation, meetings and in PE and PD investments occasionally fund specific advisors. In DD review, we emphasize the importance of the sustainable investment policies and practices of the potential external manager. In meetings with manager's representatives, we discuss responsible investment and, using a checklist, ensure the consideration of the relevant issues. For over a decade, LocalTapiola Asset Management Ltd has assigned an in-house Sustainability score for the external managers in listed assets and the process was later extended to private assets' managers. Now the initial LocalTapiola Sustainability score is assigned during the selection process of a new external manager.

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(B) Appointment

LocalTapiola Asset Management invests only in pooled funds. All new external manager selections/appointments for listed assets are presented to and approved by the Executive Team of LocalTapiola Asset Management Ltd. In private assets, new external managers are approved by the Portfolio Management Team and taken for approval to the Board of the General partner of the Fund.

At LocalTapiola Asset Management Ltd we aim for a long term relationship with our external managers and therefore there won't necessarily be any new manager selections or appointments each year. For private assets, external manager appointments are dependent on creating new investment vehicles for our clients.

In PE & PD investments, a standard side letter clause is included in our initial comment memo to the External Manager of the fund in question. The final side letter clause may however differ from our standard clause depending on the case and circumstances.

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(C) Monitoring

At LocalTapiola Asset Management we actively meet with our external managers during the year and monitor their sustainability reporting, new product offering and the development of their ESG policies and processes and stewardship activities. We also attend ESG themed webinars arranged by the external managers where their portfolio managers and ESG teams give their insights to the recent ESG progress.

As part of the monitoring we request managers to complete our annual ESG Questionnaire.

Based on the survey responses and all the information gathered during the year, we annually review and update our manager specific LocalTapiola Sustainability scores. In LocalTapiola Asset Management Ltd, the Director in charge of external manager selection chairs the Sustainability score review meeting with all relevant portfolio managers and investment managers in attendance. The 2022 ESG Questionnaire included questions for example on the manager's resources and progress in stewardship activities, updates on their proxy voting policies and collaborative engagements, Net Zero commitment or in general how climate-related risks and opportunities are assessed and addressed, use of ESG data, material ESG incidents, sustainability outcomes and principal adverse impact indicator assessment and reporting.

In private assets we attend annual meetings held by external managers for the PE & PD funds and sustainability themes are a recurrent topic in meetings with the managers.

## SELECTION

### RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 4	CORE	OO 12, OO 21	SAM 5, SAM 6, SAM 7	PUBLIC	Responsible investment practices	General

**During the reporting year, did your organisation select new external investment managers or allocate new mandates to existing investment managers?**

- (A) Yes, we selected external investment managers or allocated new mandates to existing investment managers during the reporting year
- (B) No, we did not select new external investment managers or allocate new mandates to existing investment managers during the reporting year
- (C) Not applicable; our organisation is in a captive relationship with external investment managers, which applies to 90% or more of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 5	CORE	SAM 4	N/A	PUBLIC	Responsible investment practices	4

**During the reporting year, what responsible investment aspects did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?**

**Organisation**

- (A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(B) Responsible investment policy(ies) (e.g. the alignment of their responsible investment policy with the investment mandate)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(C) Governance structure and senior-level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

#### People and Culture

(D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

#### Investment Process

(F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

## Performance and Reporting

**(I) ESG disclosure in regular client reporting**

Select from dropdown list

- (1) for all of our mandates**
- (2) for a majority of our mandates
- (3) for a minority of our mandates

**(J) Inclusion of ESG factors in contractual agreements**

Select from dropdown list

- (1) for all of our mandates**
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(K) We did not review and evaluate any of the above responsible investment aspects when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

## STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 6	CORE	OO 8, SAM 4	N/A	PUBLIC	Stewardship	4

During the reporting year, which aspects of the stewardship approach did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?

**(A) The alignment of their policy(ies) or guidelines on stewardship with the investment mandate**

Select from dropdown list

- (1) for all of our mandates**
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(B) Evidence of how they implemented their stewardship objectives, including the effectiveness of their activities

**(C) Their participation in collaborative engagements and stewardship initiatives**

Select from dropdown list

- (1) for all of our mandates**
- (2) for a majority of our mandates
- (3) for a minority of our mandates

**(D) Details of their engagements with companies or issuers on risks connected to systematic sustainability issues**

Select from dropdown list

- (1) for all of our mandates**
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(E) Details of their engagement activities with policy makers

**(F) Their escalation process and the escalation tools included in their policy on stewardship**

Select from dropdown list

- (1) for all of our mandates**
- (2) for a majority of our mandates
- (3) for a minority of our mandates

- (G) We did not review and evaluate any of the above aspects of the stewardship approach when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

## MONITORING

### RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 9	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	4

**For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' responsible investment practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?**

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)	(4) Fixed income (passive)	(5) Private equity
<b>Organisation</b>					
(A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Responsible investment policy(ies) (e.g. the continued alignment of their responsible investment policy with the investment mandate)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Governance structure and senior level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>People and Culture</b>					



(D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)

(E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)

### Investment Process

(F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)

(G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)

(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks, their response to ESG incidents)

### Performance and Reporting

(I) ESG disclosure in regular client reporting (e.g. any changes in their regular client reporting)

(J) Inclusion of ESG factors in contractual agreements

(K) We did not monitor any of the above aspects of our external investment managers' responsible investment practices during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 10	PLUS	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

**During the reporting year, which information did your organisation, or the service provider acting on your behalf, monitor for externally managed ESG passive products and strategies?**

**(1) Listed equity (passive)**

**(2) Fixed income (passive)**

(A) How the external investment managers applied, reviewed and verified screening criteria

(B) How the external investment managers rebalanced the products as a result of changes in ESG rankings, ratings or indexes

(C) Evidence that ESG passive products and strategies meet the responsible investment criteria and process

(D) Other

(E) We did not monitor ESG passive products and strategies

(F) Not applicable; we do not invest in ESG passive products and strategies

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 12	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

For the majority of your externally managed AUM in each asset class, how often does your organisation, or the service provider acting on your behalf, monitor your external investment managers' responsible investment practices?

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)	(4) Fixed income (passive)	(5) Private equity
(A) At least annually	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Less than once a year	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) On an ad hoc basis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

## STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 13	CORE	OO 8, OO 21	N/A	PUBLIC	Stewardship	1, 2

For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' stewardship practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)	(4) Fixed income (passive)	(5) Private equity
(A) Any changes in their policy(ies) or guidelines on stewardship	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) The degree of implementation of their policy(ies) or guidelines on stewardship	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) How they prioritise material ESG factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) How they prioritise risks connected to systematic sustainability issues	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Their investment team's level of involvement in stewardship activities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(F) Whether the results of stewardship actions were fed back into the investment process and decisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(G) Whether they used a variety of stewardship tools and activities to advance their stewardship priorities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(H) The deployment of their escalation process in cases where initial stewardship efforts were unsuccessful	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(I) Whether they participated in collaborative engagements and stewardship initiatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Whether they had an active role in collaborative engagements and stewardship initiatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(K) Other

(L) We did not monitor our external investment managers' stewardship practices during the reporting year

## ENGAGEMENT AND ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 15	PLUS	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

**Describe how your organisation engaged with external investment managers to improve their responsible investment practices during the reporting year.**

Our portfolio managers were invited by our request to visit one of our external managers in their HQ's so that the manager could give us an extensive walk-through of their ESG practices and processes. The manager in question had been mentioned in the media regarding some ESG issues. According to our escalation policy, the portfolio managers are responsible to acquire further information in all cases where there are any ESG incidents. This visit was part of our extended Due Diligence review for the manager. The portfolio managers found the process to be prudent and transparent. The case was then presented to the Director in charge of External Manager Selection and to the other portfolio managers.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 16	CORE	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

**What actions does your organisation, or the service provider acting on your behalf, include in its formal escalation process to address concerns raised during monitoring of your external investment managers' responsible investment practices?**

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)	(4) Fixed income (passive)	(5) Private equity
(A) Engagement with their investment professionals, investment committee or other representatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Notification about their placement on a watch list or relationship coming under review	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Reduction of capital allocation to the external investment managers until any concerns have been rectified	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Termination of the contract if failings persist over a (notified) period, including an explanation of the reasons for termination	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(E) Holding off selecting the external investment managers for new mandates or allocating additional capital until any concerns have been rectified	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(G) Our organisation does not have a formal escalation process to address concerns raised during monitoring	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## VERIFICATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 17	CORE	OO 14, OO 21	N/A	PUBLIC	Verification	1

**For the majority of your externally managed AUM in each asset class, how did your organisation, or the service provider acting on your behalf, verify that the information reported by external investment managers on their responsible investment practices was correct during the reporting year?**

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)	(4) Fixed income (passive)	(5) Private equity
(A) We checked that the information reported was verified through a third-party assurance process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(B) We checked that the information reported was verified by an independent third party	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) We checked for evidence of internal monitoring or compliance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(E) We did not verify the information reported by external investment managers on their responsible investment practices during the reporting year	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>

# LISTED EQUITY (LE)

## OVERALL APPROACH

### MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

**Does your organisation have a formal investment process to identify and incorporate material ESG factors across your listed equity strategies?**

	(1) Passive equity	(2) Active - quantitative	(3) Active - fundamental	(4) Other strategies
(A) Yes, our investment process incorporates material governance factors	(2) for a majority of our AUM	(1) for all of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(B) Yes, our investment process incorporates material environmental and social factors	(2) for a majority of our AUM	(1) for all of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(C) Yes, our investment process incorporates material ESG factors beyond our organisation's average investment holding period	(2) for a majority of our AUM	(1) for all of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(D) No, we do not have a formal process. Our investment professionals identify material ESG factors at their discretion	○	○	○	○
(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors	○	○	○	○



## MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

**Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your listed equity strategies?**

	(1) Passive equity	(2) Active - quantitative	(3) Active - fundamental	(4) Other strategies
(A) Yes, we have a formal process that includes scenario analyses	(2) for a majority of our AUM	(1) for all of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(B) Yes, we have a formal process, but it does not include scenario analyses				
(C) We do not have a formal process for our listed equity strategies; our investment professionals monitor how ESG trends vary over time at their discretion	○	○	○	○
(D) We do not monitor and review the implications of changing ESG trends on our listed equity strategies	○	○	○	○

# PRE-INVESTMENT

## ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**How does your financial analysis and equity valuation or security rating process incorporate material ESG risks?**

	(1) Active - quantitative	(2) Active - fundamental	(3) Other strategies
(A) We incorporate material governance-related risks into our financial analysis and equity valuation or security rating process	(1) in all cases	(2) in a majority of cases	(1) in all cases
(B) We incorporate material environmental and social risks into our financial analysis and equity valuation or security rating process	(1) in all cases	(2) in a majority of cases	(1) in all cases
(C) We incorporate material environmental and social risks related to companies' supply chains into our financial analysis and equity valuation or security rating process	(1) in all cases	(2) in a majority of cases	
(D) We do not incorporate material ESG risks into our financial analysis, equity valuation or security rating processes	○	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**What information do you incorporate when you assess the ESG performance of companies in your financial analysis, benchmark selection and/or portfolio construction process?**

	(1) Passive equity	(2) Active - quantitative	(3) Active - fundamental	(4) Other strategies
(A) We incorporate qualitative and/or quantitative information on current performance across a range of material ESG factors	(2) in a majority of cases	(1) in all cases	(2) in a majority of cases	(1) in all cases
(B) We incorporate qualitative and/or quantitative information on historical performance across a range of material ESG factors	(2) in a majority of cases	(1) in all cases	(2) in a majority of cases	(1) in all cases
(C) We incorporate qualitative and/or quantitative information on material ESG factors that may impact or influence future corporate revenues and/or profitability	(2) in a majority of cases	(1) in all cases	(2) in a majority of cases	
(D) We incorporate qualitative and/or quantitative information enabling current, historical and/or future performance comparison within a selected peer group across a range of material ESG factors	(2) in a majority of cases	(1) in all cases	(2) in a majority of cases	(1) in all cases

(E) We do not incorporate qualitative or quantitative information on material ESG factors when assessing the ESG performance of companies in our financial analysis, equity investment or portfolio construction process

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## ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 5	PLUS	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

**Provide an example of how you incorporated ESG factors into your equity selection and research process during the reporting year.**

For all listed equity active fundamental investments managed by LTAM Ltd we follow the same investment process. According to this process PMs conduct an ESG analysis of the company simultaneously with the investment analysis. Findings from the ESG analysis are also reflected in the valuation models. All analyses are systematically conducted and stored. The ESG analysis contains a pre-defined set of questions on E, S and G issues and their importance in the analysis varies according to the sector the company operates in. The materiality of each issue for a specific company is also assessed. Since our analysis is based on a qualitative and quantitative review of the ESG issues and company financials, the ESG issues are truly taken into account in all investment-decisions.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

**How do material ESG factors contribute to your stock selection, portfolio construction and/or benchmark selection process?**

	(1) Passive equity	(2) Active - quantitative	(3) Active - fundamental	(4) Other strategies
(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process	(2) for a majority of our AUM	(1) for all of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(B) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process	(2) for a majority of our AUM	(1) for all of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(C) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process	(2) for a majority of our AUM	(1) for all of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(D) Other ways material ESG factors contribute to your portfolio construction and/or benchmark selection process	(3) for a minority of our AUM	(1) for all of our AUM		
(E) Our stock selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors	o	o	o	o

**(D) Other ways material ESG factors contribute to your portfolio construction and/or benchmark selection process - Specify:**

ESG and especially climate factors contributed to the selection of Paris Aligned Benchmarks for LocalTapiola branded Passive Equity Funds. For LocalTapiola Quant strategies material ESG factors may affect the timing of investment decisions

## PASSIVE INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 7	PLUS	OO 21	N/A	PUBLIC	Passive investments	1

**Provide an example of how material ESG factors influenced weightings and tilts in the design of your passively managed funds.**

In LocalTapiola Climate Index Funds (that follow Paris Aligned Benchmarks) companies that have high GHG-intensities have been excluded from the investment universe. Companies that develop green solutions and/or have science based net zero targets have been over-weighted relative to market cap weighted base index. In addition, companies with high carbon risk have been under-weighted relative to market cap weighting.

## POST-INVESTMENT

### ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 9	CORE	OO 17.1 LE, OO 21	N/A	PUBLIC	ESG risk management	1

**What compliance processes do you have in place to ensure that your listed equity assets subject to negative exclusionary screens meet the screening criteria?**

- (A) We have internal compliance procedures that ensure all funds or portfolios that are subject to negative exclusionary screening have pre-trade checks
- (B) We have an external committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- (C) We have an independent internal committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- (D) We do not have compliance processes in place to ensure that we meet our stated negative exclusionary screens

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 10	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

**For the majority of your listed equity assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?**

(1) Active - quantitative

(2) Active - fundamental

(3) Other strategies

(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual listed equity holdings



(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for other listed equity holdings exposed to similar risks and/or incidents



(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for our stewardship activities



(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents



(E) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process; our investment professionals identify and incorporate material ESG risks and ESG incidents at their discretion



(F) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process

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## DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 12	CORE	OO 17 LE, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

**For all your listed equity assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?**

- (A) We share a list of ESG screens
- (B) We share any changes in ESG screens
- (C) We explain any implications of ESG screens, such as their deviation from a benchmark or impact on sector weightings
- (D) We do not share the above information for all our listed equity assets subject to ESG screens

## FIXED INCOME (FI)

### OVERALL APPROACH

### MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

**Does your organisation have a formal investment process to identify and incorporate material ESG factors across your fixed income assets?**



	(1) SSA	(2) Corporate	(3) Securitised
(A) Yes, our investment process incorporates material governance factors	(2) for a majority of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(B) Yes, our investment process incorporates material environmental and social factors	(2) for a majority of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(C) Yes, our investment process incorporates material ESG factors depending on different investment time horizons	(2) for a majority of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(D) No, we do not have a formal process; our investment professionals identify material ESG factors at their discretion	○	○	○
(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors	○	○	○

## MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

**Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your fixed income assets?**

	(1) SSA	(2) Corporate	(3) Securitised
(A) Yes, we have a formal process that includes scenario analyses	(2) for a majority of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(B) Yes, we have a formal process, but does it not include scenario analyses			
(C) We do not have a formal process for our fixed income assets; our investment professionals monitor how ESG trends vary over time at their discretion	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(D) We do not monitor and review the implications of changing ESG trends on our fixed income assets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## PRE-INVESTMENT

### ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**For the majority of your fixed income investments, does your organisation incorporate material ESG factors when assessing their credit quality?**

	(1) SSA	(2) Corporate	(3) Securitised
(A) We incorporate material environmental and social factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) We incorporate material governance-related factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(C) We do not incorporate material ESG factors for the majority of our fixed income investments

○ ○ ○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**Does your organisation have a framework that differentiates ESG risks by issuer country, region and/or sector?**

	(1) SSA	(2) Corporate	(3) Securitised
(A) Yes, we have a framework that differentiates ESG risks by country and/or region (e.g. local governance and labour practices)	(2) for a majority of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(B) Yes, we have a framework that differentiates ESG risks by sector	(2) for a majority of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(C) No, we do not have a framework that differentiates ESG risks by issuer country, region and/or sector	○	○	○
(D) Not applicable; we are not able to differentiate ESG risks by issuer country, region and/or sector due to the limited universe of our issuers	○	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**How do you incorporate significant changes in material ESG factors over time into your fixed income asset valuation process?**

	(1) SSA	(2) Corporate
(A) We incorporate it into the forecast of financial metrics or other quantitative assessments	(2) for a majority of our AUM	(2) for a majority of our AUM
(B) We make a qualitative assessment of how material ESG factors may evolve	(2) for a majority of our AUM	(2) for a majority of our AUM
(C) We do not incorporate significant changes in material ESG factors	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 7	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**At what level do you incorporate material ESG factors into the risks and/or returns of your securitised products?**

- (A) At both key counterparties' and at the underlying collateral pool's levels

Explain: (Voluntary)

The portfolio manager analyses each issuer's financial and sustainability status and in assessing the collateral pool we prefer green bonds.

- (B) At key counterparties' level only
- (C) At the underlying collateral pool's level only

## ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 8	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

**How do material ESG factors contribute to your security selection, portfolio construction and/or benchmark selection process?**

	(1) SSA	(2) Corporate	(3) Securitised
(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process	(2) for a majority of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(B) Material ESG factors contribute to determining the holding period of individual assets within our portfolio construction and/or benchmark selection process	(2) for a majority of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(C) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process	(2) for a majority of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(D) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process	(2) for a majority of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(E) Material ESG factors contribute to our portfolio construction and/or benchmark selection process in other ways			

(F) Our security selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors

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## POST-INVESTMENT

### ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 11	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

**How are material ESG factors incorporated into your portfolio risk management process?**

	(1) SSA	(2) Corporate	(3) Securitised
(A) Investment committee members, or the equivalent function or group, can veto investment decisions based on ESG considerations	(2) for a majority of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(B) Companies, sectors, countries and/or currencies are monitored for changes in exposure to material ESG factors and any breaches of risk limits	(2) for a majority of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(C) Overall exposure to specific material ESG factors is measured for our portfolio construction, and sizing or hedging adjustments are made depending on the individual issuer or issue sensitivity to these factors	(2) for a majority of our AUM	(2) for a majority of our AUM	(1) for all of our AUM
(D) We use another method of incorporating material ESG factors into our portfolio's risk management process			

(E) We do not have a process to incorporate material ESG factors into our portfolio's risk management process

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Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 12	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

**For the majority of your fixed income assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?**

(1) SSA

(2) Corporate

(3) Securitised

(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual fixed income holdings

(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for other fixed income holdings exposed to similar risks and/or incidents

(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for our stewardship activities

(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents

(E) We do not have a formal process to identify and incorporate ESG risks and ESG incidents; our investment professionals identify and incorporate ESG risks and ESG incidents at their discretion

(F) We do not have a formal process to identify and incorporate ESG risks and ESG incidents into our risk management process

## PERFORMANCE MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 14	PLUS	OO 5.3 FI, OO 21	N/A	PUBLIC	Performance monitoring	1

**Provide an example of how the incorporation of environmental and/or social factors in your fixed income valuation or portfolio construction affected the realised returns of those assets.**

LocalTapiola Asset Management has for some years been investing in bonds of an oil refining and marketing company that has been a frontrunner in developing very high quality bio-based fuels. Even though the company still has operations within fossil fuel refining and marketing, its focus has strongly been in renewable fuels and will most probably be even more so in the future. We see great potential for example in their aviation and maritime fuel business. It is obvious that renewable fuel is not an absolute solution for bringing down CO2 emissions in transportation sector, but it will play part of the solution. We also acknowledge, that due to their advanced process method they are able to use very versatile set of different raw materials, which diminishes the negative effects the sourcing renewable materials has had on nature and availability of food.

We have had a positive view on the company for several years and its performance in renewable business has been very strong. We have invested in company's green bonds, which they have mostly used to finance the renewable fuel refining capacity investments, and in credit these are the only investments that we have in pure oil sector company. The company quite recently got a A3 credit rating from Moody's, which offered extra push for the performance.

Had it not been so ambitious and credible sustainability story, we most probably wouldn't have been investing in company's bond. Now they have offered us above benchmark return with low volatility.



## THEMATIC BONDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 15	PLUS	OO 20, OO 21	N/A	PUBLIC	Thematic bonds	3

**What percentage of environmental, social and/or other labelled thematic bonds held by your organisation has been verified?**

**As a percentage of your total labelled bonds:**

(A) Third-party assurance	(2) >0–25%
(B) Second-party opinion	(5) >75%
(C) Approved verifiers or external reviewers (e.g. via CBI or ICMA)	

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 16	CORE	OO 17 FI, OO 21	N/A	PUBLIC	Thematic bonds	1

**What pre-determined criteria does your organisation use to identify which non-labelled thematic bonds to invest in?**

- (A) The bond's use of proceeds
- (B) The issuers' targets
- (C) The issuers' progress towards achieving their targets
- (D) The issuer profile and how it contributes to their targets
- (E) We do not use pre-determined criteria to identify which non-labelled thematic bonds to invest in
- (F) Not applicable; we do not invest in non-labelled thematic bonds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 17	CORE	Multiple, see guidance	N/A	PUBLIC	Thematic bonds	1, 2, 6

**During the reporting year, what action did you take in the majority of cases when you felt that the proceeds of a thematic bond were not allocated appropriately or in accordance with the terms of the bond deal or prospectus?**

- (A) We engaged with the issuer
- (B) We alerted thematic bond certification agencies
- (C) We sold the security
- (D) We blacklisted the issuer
- (E) Other action

- (F) We did not take any specific actions when the proceeds of a thematic bond were not allocated according to the terms of the bond deal during the reporting year
- (G) **Not applicable; in the majority of cases, the proceeds of thematic bonds were allocated according to the terms of the bond deal during the reporting year**

## DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 18	CORE	OO 17 FI, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

**For all your fixed income assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?**

- (A) **We share a list of ESG screens**
- (B) **We share any changes in ESG screens**
- (C) **We explain any implications of ESG screens, such as any deviation from a benchmark or impact on sector weightings**
- (D) We do not share the above information for all our fixed income assets subject to ESG screens

## REAL ESTATE (RE)

### POLICY

#### INVESTMENT GUIDELINES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 1	CORE	OO 21, OO 24, OO 26	N/A	PUBLIC	Investment guidelines	1 to 6

**What real estate-specific ESG guidelines are currently covered in your organisation's responsible investment policy(ies)?**

- (A) Guidelines on our ESG approach to real estate depending on use (e.g. retail and education) and geography
- (B) **Guidelines on our ESG approach to new construction**
- (D) **Guidelines on our ESG approach to standing real estate investments**
- (E) **Guidelines on pre-investment screening**
- (F) Guidelines on our approach to ESG integration into short-term or 100-day plans (or equivalent)
- (H) **Guidelines on our approach to ESG reporting**
- (I) Guidelines on our engagement approach related to third-party property managers
- (J) Guidelines on our engagement approach related to tenants
- (K) Guidelines on our engagement approach related to construction contractors
- (L) Our responsible investment policy(ies) does not cover real estate-specific ESG guidelines

## FUNDRAISING

### COMMITMENTS TO INVESTORS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 2	CORE	OO 21	N/A	PUBLIC	Commitments to investors	1, 4

**For all of the funds that you closed during the reporting year, what type of formal responsible investment commitments did you make in Limited Partnership Agreements (LPAs), side letters, or other constitutive fund documents?**

- (A) We incorporated responsible investment commitments in LPAs (or equivalent) as a standard default procedure
- (B) We added responsible investment commitments in LPAs (or equivalent) upon a client's request
- (C) We added responsible investment commitments in side letters upon a client's request
- (D) We did not make any formal responsible investment commitments for the relevant reporting year
- (E) Not applicable; we have not raised funds in the last five years

## PRE-INVESTMENT

### MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 3	CORE	OO 21	RE 3.1	PUBLIC	Materiality analysis	1

**During the reporting year, how did you conduct ESG materiality analysis for your potential real estate investments?**

- (A) We assessed ESG materiality for each property, as each case is unique
  - Select from dropdown list:
    - (1) for all of our potential real estate investments
    - (2) for a majority of our potential real estate investments
    - (3) for a minority of our potential real estate investments
- (B) We performed a mix of property level and property type or category level ESG materiality analysis
- (C) We assessed ESG materiality at the property type or category level only
- (D) We did not conduct ESG materiality analysis for our potential real estate investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 3.1	CORE	RE 3	N/A	PUBLIC	Materiality analysis	1

During the reporting year, what tools, standards and data did you use in your ESG materiality analysis of potential real estate investments?

- (A) We used GRI standards to inform our real estate ESG materiality analysis
- (B) We used SASB standards to inform our real estate ESG materiality analysis
- (C) We used the UN Sustainable Development Goals (SDGs) to inform our real estate ESG materiality analysis
- (D) We used GRESB Materiality Assessment (RC7) or similar to inform our real estate ESG materiality analysis
- (E) We used climate disclosures, such as the TCFD recommendations or other climate risk and/or exposure analysis tools, to inform our real estate ESG materiality analysis
- (F) We used the UN Guiding Principles on Business and Human Rights (UNGPs) to inform our real estate ESG materiality analysis
- (G) We used geopolitical and macro-economic considerations in our real estate ESG materiality analysis
- (H) We used green building certifications to inform our real estate ESG materiality analysis
- (I) We engaged with the existing owners and/or managers (or developers for new properties) to inform our real estate ESG materiality analysis
- (J) Other

Specify:

EU Taxonomy, Net Zero Carbon Buildings Commitment

## DUE DILIGENCE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 4	CORE	OO 21	N/A	PUBLIC	Due diligence	1

During the reporting year, how did material ESG factors influence your selection of real estate investments?

- (A) Material ESG factors were used to identify risks
  - Select from dropdown list:
    - (1) for all of our potential real estate investments
    - (2) for a majority of our potential real estate investments
    - (3) for a minority of our potential real estate investments
- (B) Material ESG factors were discussed by the investment committee (or equivalent)
  - Select from dropdown list:
    - (1) for all of our potential real estate investments
    - (2) for a majority of our potential real estate investments
    - (3) for a minority of our potential real estate investments
- (C) Material ESG factors were used to identify remedial actions for our 100-day plans (or equivalent)
  - Select from dropdown list:
    - (1) for all of our potential real estate investments
    - (2) for a majority of our potential real estate investments
    - (3) for a minority of our potential real estate investments
- (D) Material ESG factors were used to identify opportunities for value creation
  - Select from dropdown list:
    - (1) for all of our potential real estate investments
    - (2) for a majority of our potential real estate investments
    - (3) for a minority of our potential real estate investments

**(E) Material ESG factors informed our decision to abandon potential investments in the due diligence phase in cases where ESG risks were considered too high to mitigate**

Select from dropdown list:

- (1) for all of our potential real estate investments
- (2) for a majority of our potential real estate investments
- (3) for a minority of our potential real estate investments**

**(F) Material ESG factors impacted investments in terms of the price offered and/or paid**

Select from dropdown list:

- (1) for all of our potential real estate investments
- (2) for a majority of our potential real estate investments**
- (3) for a minority of our potential real estate investments
- (G) Material ESG factors did not influence the selection of our real estate investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 5	CORE	OO 21	N/A	PUBLIC	Due diligence	1

**Once material ESG factors have been identified, what processes do you use to conduct due diligence on these factors for potential real estate investments?**

**(A) We conduct a high-level or desktop review against an ESG checklist for initial red flags**

Select from dropdown list:

- (1) for all of our potential real estate investments**
- (2) for a majority of our potential real estate investments
- (3) for a minority of our potential real estate investments

**(B) We send detailed ESG questionnaires to target properties**

**(C) We hire third-party consultants to do technical due diligence on specific material ESG factors**

Select from dropdown list:

- (1) for all of our potential real estate investments
- (2) for a majority of our potential real estate investments**
- (3) for a minority of our potential real estate investments

**(D) We conduct site visits**

Select from dropdown list:

- (1) for all of our potential real estate investments**
- (2) for a majority of our potential real estate investments
- (3) for a minority of our potential real estate investments

**(E) We conduct in-depth interviews with management and/or personnel**

Select from dropdown list:

- (1) for all of our potential real estate investments
- (2) for a majority of our potential real estate investments
- (3) for a minority of our potential real estate investments**

**(F) We conduct detailed external stakeholder analysis and/or engagement**

Select from dropdown list:

- (1) for all of our potential real estate investments**
- (2) for a majority of our potential real estate investments
- (3) for a minority of our potential real estate investments

(G) We incorporate ESG due diligence findings in all of our relevant investment process documentation in the same manner as for other key due diligence, e.g. commercial, accounting and legal

Select from dropdown list:

- (1) for all of our potential real estate investments
- (2) for a majority of our potential real estate investments
- (3) for a minority of our potential real estate investments

(H) Our investment committee (or an equivalent decision-making body) is ultimately responsible for ensuring all ESG due diligence is completed in the same manner as for other key due diligence, e.g. commercial, accounting and legal

Select from dropdown list:

- (1) for all of our potential real estate investments
- (2) for a majority of our potential real estate investments
- (3) for a minority of our potential real estate investments

(I) Other

(J) We do not conduct due diligence on material ESG factors for potential real estate investments

## CONSTRUCTION AND DEVELOPMENT

### CONSTRUCTION REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 9	CORE	OO 21, OO 24	N/A	PUBLIC	Construction requirements	1

What ESG requirements do you currently have in place for all development projects and major renovations?

- (A) We require the management of waste by diverting materials (e.g. from construction and demolition, reusable vegetation, rocks and soil) from disposal
- (B) We require the minimisation of light and noise pollution that would affect the surrounding community
- (C) We require the performance of an environmental and social site impact assessment
- (D) We require the protection of the air quality during construction
- (E) We require the protection and restoration of the habitat and soils disturbed during construction and/or during previous development
- (F) We require the protection of surface water, groundwater and aquatic ecosystems by controlling and retaining construction pollutants
- (G) We require constant monitoring of health and safety at the construction site
- (H) We require engagement with local communities and other stakeholders during the design and/or planning process
- (I) Other
- (J) We do not have ESG requirements in place for development projects and major renovations

## MINIMUM BUILDING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 10	CORE	OO 21, OO 24	N/A	PUBLIC	Minimum building requirements	1

### What minimum building requirements do you have in place for development projects and major renovations?

- (A) We require the implementation of the latest available metering and internet of things (IoT) technology
- (B) We require the building to be able to obtain a recognised green and/or healthy building certification for new buildings**
  - Select from dropdown list:
    - (1) for all development projects and major renovations
    - (2) for a majority of our development projects and major renovations**
    - (3) for a minority of our development projects and major renovations
- (C) We require the use of certified (or labelled) sustainable building materials**
  - Select from dropdown list:
    - (1) for all development projects and major renovations
    - (2) for a majority of our development projects and major renovations
    - (3) for a minority of our development projects and major renovations**
- (D) We require the installation of renewable energy technologies where feasible
- (E) We require that development projects and major renovations become net-zero carbon emitters within five years of completion of the construction
- (F) We require water conservation measures**
  - Select from dropdown list:
    - (1) for all development projects and major renovations
    - (2) for a majority of our development projects and major renovations**
    - (3) for a minority of our development projects and major renovations
- (G) We require common health and well-being measures for occupants**
  - Select from dropdown list:
    - (1) for all development projects and major renovations**
    - (2) for a majority of our development projects and major renovations
    - (3) for a minority of our development projects and major renovations
- (H) Other
  - (I) We do not have minimum building requirements in place for development projects and major renovations

# POST-INVESTMENT

## MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 11	CORE	OO 21	RE 11.1	PUBLIC	Monitoring	1

During the reporting year, did you track one or more KPIs on material ESG factors across your real estate investments?

(A) Yes, we tracked KPIs on environmental factors

Percentage of real estate assets this applies to:

- (1) >0 to 10%
- (2) >10 to 50%
- (3) >50 to 75%
- (4) >75 to 95%
- (5) >95%

(B) Yes, we tracked KPIs on social factors

Percentage of real estate assets this applies to:

- (1) >0 to 10%
- (2) >10 to 50%
- (3) >50 to 75%
- (4) >75 to 95%
- (5) >95%

(C) Yes, we tracked KPIs on governance factors

Percentage of real estate assets this applies to:

- (1) >0 to 10%
- (2) >10 to 50%
- (3) >50 to 75%
- (4) >75 to 95%
- (5) >95%

(D) We did not track KPIs on material ESG factors across our real estate investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 11.1	PLUS	RE 11	N/A	PUBLIC	Monitoring	1

Provide examples of KPIs on material ESG factors you tracked across your real estate investments during the reporting year.

(A) ESG KPI #1

environmental: energy efficiency

(B) ESG KPI #2

social: tenant satisfaction



(C) ESG KPI #3

governance: risk management review including total asset specific costs

(D) ESG KPI #4

(E) ESG KPI #5

(F) ESG KPI #6

(G) ESG KPI #7

(H) ESG KPI #8

(I) ESG KPI #9

(J) ESG KPI #10

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 12	CORE	OO 21	N/A	PUBLIC	Monitoring	1

**During the reporting year, what ESG building performance data did you collect for your real estate assets?**

**(A) Energy consumption**

Select from dropdown list:

- (1) for all of our real estate assets
- (2) for a majority of our real estate assets**
- (3) for a minority of our real estate assets

**(B) Water consumption**

Select from dropdown list:

- (1) for all of our real estate assets
- (2) for a majority of our real estate assets**
- (3) for a minority of our real estate assets

**(C) Waste production**

Select from dropdown list:

- (1) for all of our real estate assets
- (2) for a majority of our real estate assets
- (3) for a minority of our real estate assets**

**(D) Other**

Specify:

CO2 emissions from energy

Select from dropdown list:

- (1) for all of our real estate assets
- (2) for a majority of our real estate assets**
- (3) for a minority of our real estate assets
- (E) We did not collect ESG building performance data for our real estate assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 13	CORE	OO 21, OO 26	RE 13.1	PUBLIC	Monitoring	1, 2

What processes do you have in place to support meeting your targets on material ESG factors for your real estate investments?

(A) We use operational-level benchmarks to assess and analyse the performance of assets against sector performance

Select from dropdown list:

- (1) for all of our real estate assets
- (2) for a majority of our real estate assets
- (3) for a minority of our real estate assets

(B) We implement certified environmental and social management systems across our portfolio

(C) We make sufficient budget available to ensure that the systems and procedures needed are established

Select from dropdown list:

- (1) for all of our real estate assets
- (2) for a majority of our real estate assets
- (3) for a minority of our real estate assets

(D) We hire external verification services to audit performance, systems, and procedures

Select from dropdown list:

- (1) for all of our real estate assets
- (2) for a majority of our real estate assets
- (3) for a minority of our real estate assets

(F) We develop minimum health and safety standards

Select from dropdown list:

- (1) for all of our real estate assets
- (2) for a majority of our real estate assets
- (3) for a minority of our real estate assets

(G) We conduct ongoing engagement with all key stakeholders, e.g. local communities, NGOs, governments, and end-users

Select from dropdown list:

- (1) for all of our real estate assets
- (2) for a majority of our real estate assets
- (3) for a minority of our real estate assets

(H) Other

(I) We do not have processes in place to help meet our targets on material ESG factors for our real estate investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 13.1	PLUS	RE 13	N/A	PUBLIC	Monitoring	1, 2

Describe up to two processes you put in place during the reporting year to support meeting your targets on material ESG factors.

(A) Process one

We have an energy management system in use with which the energy consumption of assets is regularly followed.

(B) Process two

We participate yearly in the KTI benchmark surveys that are related to sustainability and maintenance costs.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 14	CORE	OO 21	N/A	PUBLIC	Monitoring	1, 2

**Post-investment, how do you manage material ESG risks and ESG opportunities to create value during the holding period?**

**(A) We develop property-specific ESG action plans based on pre-investment research, due diligence and materiality findings**

Select from dropdown list:

- (1) for all of our real estate investments**
- (2) for a majority of our real estate investments
- (3) for a minority of our real estate investments

**(B) We adjust our ESG action plans based on performance monitoring findings at least yearly**

Select from dropdown list:

- (1) for all of our real estate investments
- (2) for a majority of our real estate investments**
- (3) for a minority of our real estate investments

**(C) We, or the external advisors that we hire, support our real estate investments with specific ESG value-creation opportunities**

Select from dropdown list:

- (1) for all of our real estate investments
- (2) for a majority of our real estate investments**
- (3) for a minority of our real estate investments

(D) Other

(E) We do not manage material ESG risks and opportunities post-investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 15	PLUS	OO 21	N/A	PUBLIC	Monitoring	1, 2

**Describe how you ensure that material ESG risks are adequately addressed in the real estate investments where you hold a minority stake.**

We have LocalTapiola Real Estate Asset Management employee in the board of most of the minority stake investments and in that way, possible governance related risks are addressed.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 16	PLUS	OO 21	N/A	PUBLIC	Monitoring	1, 2

**Describe how your ESG action plans are currently defined, implemented and monitored throughout the investment period.**

We follow the implementation of asset specific long term plans at least annually, mostly monthly. Monitoring is done in the electronic maintenance book system.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 17	CORE	OO 21	N/A	PUBLIC	Monitoring	1

**What proportion of your real estate assets has obtained a green or sustainable building certification?**

- (A) All of our real estate assets have obtained a green or sustainable building certification
- (B) A majority of our real estate assets have obtained a green or sustainable building certification
- (C) A minority of our real estate assets have obtained a green or sustainable building certification
- (D) None of our real estate assets have obtained a green or sustainable building certification

## STAKEHOLDER ENGAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 18	CORE	OO 21	N/A	PUBLIC	Stakeholder engagement	1, 2

**How does your third-party property manager(s) engage with tenants?**

- (A) They engage with real estate tenants on energy, water consumption and/or waste production  
Select from dropdown list:
  - (1) for all of our buildings or properties
  - (2) for a majority of our buildings or properties
  - (3) for a minority of our buildings or properties
- (B) They engage with real estate tenants by organising tenant events focused on increasing sustainability awareness, ESG training and guidance
- (C) They engage with real estate tenants by offering green leases
- (D) They engage with real estate tenants by identifying collaboration opportunities that support targets related to material ESG factors  
Select from dropdown list:
  - (1) for all of our buildings or properties
  - (2) for a majority of our buildings or properties
  - (3) for a minority of our buildings or properties
- (E) They engage with real estate tenants by offering shared financial benefits from equipment upgrades
- (F) Other
- (G) Our third-party property manager(s) do not engage with tenants

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 19	PLUS	OO 21	N/A	PUBLIC	Stakeholder engagement	1, 2

**During the reporting year, how did you or the organisations operating on your behalf engage with the local community above and beyond what is required by relevant regulations for asset design, use and/or repurposing?**

We as the only owner of a large shopping centre are engaging with the local community by attending the communal association in issues affecting the neighbourhood, for example.

## EXIT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 20	CORE	OO 21	N/A	PUBLIC	Exit	4, 6

**During the reporting year, what responsible investment information was shared with potential buyers of real estate investments?**

- (A) Our firm's high-level commitment to responsible investment, e.g. that we are a PRI signatory**  
Select from dropdown list:
  - (1) for all of our real estate investments**
  - (2) for a majority of our real estate investments
  - (3) for a minority of our real estate investments
- (B) A description of what industry and asset class standards our firm aligns with, e.g. TCFD or GRESB**  
Select from dropdown list:
  - (1) for all of our real estate investments**
  - (2) for a majority of our real estate investments
  - (3) for a minority of our real estate investments
- (C) Our firm's responsible investment policy (at minimum, a summary of key aspects and firm-specific approach)**  
Select from dropdown list:
  - (1) for all of our real estate investments**
  - (2) for a majority of our real estate investments
  - (3) for a minority of our real estate investments
- (D) Our firm's ESG risk assessment methodology (topics covered in-house and/or with external support)
- (E) The outcome of our latest ESG risk assessment of the property(s)**  
Select from dropdown list:
  - (1) for all of our real estate investments
  - (2) for a majority of our real estate investments**
  - (3) for a minority of our real estate investments
- (F) Key ESG performance data on the property(s) being sold**  
Select from dropdown list:
  - (1) for all of our real estate investments
  - (2) for a majority of our real estate investments**
  - (3) for a minority of our real estate investments
- (G) Other

- (H) No responsible investment information was shared with potential buyers of real estate investments during the reporting year
- (I) Not applicable; we had no sales process (or control over the sales process) during the reporting year

## DISCLOSURE OF ESG PORTFOLIO INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 21	CORE	OO 21	N/A	PUBLIC	Disclosure of ESG portfolio information	6

During the reporting year, how did you report on your targets on material ESG factors and related data to your investors?

- (A) We reported through a publicly disclosed sustainability report
- (B) We reported in aggregate through formal reporting to investors
- (C) We reported at the property level through formal reporting to investors
- (D) We reported through a limited partners advisory committee (or equivalent)
- (E) We reported at digital or physical events or meetings with investors
- (F) We had a process in place to ensure that serious ESG incidents were reported
- (G) Other
- (H) We did not report our targets on material ESG factors and related data to our investors during the reporting year

# SUSTAINABILITY OUTCOMES (SO)

## SETTING TARGETS AND TRACKING PROGRESS

### SETTING TARGETS ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 1	PLUS	PGS 48	SO 2, SO 2.1, SO 3	PUBLIC	Setting targets on sustainability outcomes	1, 2

What specific sustainability outcomes connected to its investment activities has your organisation taken action on?

- (A) Sustainability outcome #1
  - (1) Widely recognised frameworks used to guide action on this sustainability outcome
    - (1) The UN Sustainable Development Goals (SDGs) and targets
    - (2) The UNFCCC Paris Agreement
    - (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
    - (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
    - (5) The EU Taxonomy
    - (6) Other relevant taxonomies
    - (7) The International Bill of Human Rights

- (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
  - (9) The Convention on Biological Diversity
  - (10) Other international, regional, sector-based or issue-specific framework(s)
- (2) Classification of sustainability outcome
- (1) **Environmental**
  - (2) Social
  - (3) Governance-related
  - (4) Other
- (3) Sustainability outcome name
- NZAM AUM commitment
- (4) Number of targets set for this outcome
- (1) No target
  - (2) **One target**
  - (3) Two or more targets
- (B) Sustainability outcome #2**
- (1) Widely recognised frameworks used to guide action on this sustainability outcome
- (1) The UN Sustainable Development Goals (SDGs) and targets
  - (2) **The UNFCCC Paris Agreement**
  - (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
  - (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
  - (5) The EU Taxonomy
  - (6) Other relevant taxonomies
  - (7) The International Bill of Human Rights
  - (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
  - (9) The Convention on Biological Diversity
  - (10) Other international, regional, sector-based or issue-specific framework(s)
- (2) Classification of sustainability outcome
- (1) **Environmental**
  - (2) Social
  - (3) Governance-related
  - (4) Other
- (3) Sustainability outcome name
- NZAM portfolio emissions
- (4) Number of targets set for this outcome
- (1) No target
  - (2) **One target**
  - (3) Two or more targets
- (C) Sustainability outcome #3**
- (1) Widely recognised frameworks used to guide action on this sustainability outcome
- (1) The UN Sustainable Development Goals (SDGs) and targets
  - (2) **The UNFCCC Paris Agreement**
  - (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
  - (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
  - (5) The EU Taxonomy
  - (6) Other relevant taxonomies
  - (7) The International Bill of Human Rights

- (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- (9) The Convention on Biological Diversity
- (10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

- (1) **Environmental**
- (2) Social
- (3) Governance-related
- (4) Other

(3) Sustainability outcome name

NZAM climate solutions

(4) Number of targets set for this outcome

- (1) No target
- (2) **One target**
- (3) Two or more targets

(D) **Sustainability outcome #4**

(1) Widely recognised frameworks used to guide action on this sustainability outcome

- (1) The UN Sustainable Development Goals (SDGs) and targets
- (2) **The UNFCCC Paris Agreement**
- (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
- (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- (5) The EU Taxonomy
- (6) Other relevant taxonomies
- (7) The International Bill of Human Rights
- (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- (9) The Convention on Biological Diversity
- (10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

- (1) **Environmental**
- (2) Social
- (3) Governance-related
- (4) Other

(3) Sustainability outcome name

NZAM Direct Real Estate: The Net Zero Carbon Buildings Commitment

(4) Number of targets set for this outcome

- (1) No target
- (2) **One target**
- (3) Two or more targets

- (E) Sustainability outcome #5
- (F) Sustainability outcome #6
- (G) Sustainability outcome #7
- (H) Sustainability outcome #8
- (I) Sustainability outcome #9
- (J) Sustainability outcome #10



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2	PLUS	SO 1	SO 2.1, SO 4, SO 5	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your nearest-term targets.

**(A1) Sustainability Outcome #1: Target details**

(A1) Sustainability Outcome #1:	NZAM AUM commitment					
(1) Target name	NZAM AUM commitment					
(2) Baseline year						
(3) Target to be met by	2030					
(4) Methodology	Net Zero Investment Framework (NZIF) It is not meaningful to calculate '(7) baseline level' (or (9)), because LocalTapiola AM holding structure was formed after the commitment. Target level includes the entire LocalTapiola AM holding structure.					
(5) Metric used (if relevant)	% of AUM managed in line with net zero					
(6) Absolute or intensity-based (if relevant)						
(7) Baseline level or amount (if relevant):						
(8) Target level or amount (if relevant)	46%					
(9) Percentage of total AUM covered in your baseline year for target setting						
(10) Do you also have a longer-term target for this?	(1) Yes					

**(B1) Sustainability Outcome #2: Target details**

(B1) Sustainability Outcome #2:	NZAM portfolio emissions	
(1) Target name	NZAM portfolio emissions	
(2) Baseline year	2019	
(3) Target to be met by	2030	
(4) Methodology	Net Zero Investment Framework (NZIF)  It is not meaningful to calculate '(9) Percentage of total AUM covered in your baseline year for target setting', because LocalTapiola AM holding structure was formed after the commitment. If we calculate with the AUM of 2019 (only for LTAM), it cannot be compared with the AUM in 'Sustainability Outcome #1: NZAM AUM commitment'.	
(5) Metric used (if relevant)	tCO2e/Mn USD for listed equity and corporate bonds	
(6) Absolute or intensity-based (if relevant)	(2) Intensity-based	
(7) Baseline level or amount (if relevant):	86,0 tCO2e/Mn USD	
(8) Target level or amount (if relevant)	43,0 tCO2e/Mn USD	
(9) Percentage of total AUM covered in your baseline year for target setting		
(10) Do you also have a longer-term target for this?	(1) Yes	

**(C1) Sustainability Outcome #3: Target details**

(C1) Sustainability Outcome #3:	NZAM climate solutions	
(1) Target name	NZAM climate solutions	

(2) Baseline year	2019
(3) Target to be met by	2030
(4) Methodology	Net Zero Investment Framework (NZIF) It is not meaningful to calculate '(9) Percentage of total AUM covered in your baseline year for target setting', because LocalTapiola AM holding structure was formed after the commitment. If we calculate with the AUM of 2019 (only for LTAM), it cannot be compared with the AUM in 'Sustainability Outcome #1: NZAM AUM commitment'.
(5) Metric used (if relevant)	% of AUM in climate solutions for listed equity and corporate bonds
(6) Absolute or intensity-based (if relevant)	
(7) Baseline level or amount (if relevant):	4,5%
(8) Target level or amount (if relevant)	6,8%
(9) Percentage of total AUM covered in your baseline year for target setting	
(10) Do you also have a longer-term target for this?	(2) No

**(D1) Sustainability Outcome #4: Target details**

(D1) Sustainability Outcome #4:	NZAM Direct Real Estate: The Net Zero Carbon Buildings Commitment
(1) Target name	NZAM: The Net Zero Carbon Buildings Commitment
(2) Baseline year	2019
(3) Target to be met by	2030

The Net Zero Carbon Buildings Commitment methodology

(4) Methodology	It is not meaningful to calculate '(9) Percentage of total AUM covered in your baseline year for target setting', because LocalTapiola AM holding structure was formed after the commitment. If we calculate with the AUM of 2019 (only for LTREAM), it cannot be compared with the AUM in 'Sustainability Outcome #1: NZAM AUM commitment'.	
(5) Metric used (if relevant)	tCO2e/Bn USD (GAV)	
(6) Absolute or intensity-based (if relevant)	(2) Intensity-based	
(7) Baseline level or amount (if relevant):	6,8 tCO2/Bn USD (GAV)	
(8) Target level or amount (if relevant)	net zero	
(9) Percentage of total AUM covered in your baseline year for target setting		
(10) Do you also have a longer-term target for this?	(2) No	

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2.1	PLUS	SO 1, SO 2	N/A	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your long-term targets.

	(1) Target name	(2) Long-term target to be met by	(3) Long-term target level or amount (if relevant)
(A1) Sustainability Outcome #1: NZAM AUM commitment	NZAM AUM commitment	2050	100% of AuM
(B1) Sustainability Outcome #2: NZAM portfolio emissions	NZAM portfolio emissions	2050	net zero

## FOCUS: SETTING NET-ZERO TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3	PLUS	SO 1	Multiple, see guidance	PUBLIC	Focus: Setting net-zero targets	General

If relevant to your organisation, you can opt-in to provide further details on your net-zero targets.

- (A) Yes, we would like to provide further details on our organisation's asset class-specific net-zero targets
- (B) Yes, we would like to provide further details on our organisation's net-zero targets for high-emitting sectors
- (C) Yes, we would like to provide further details on our organisation's mandate or fund-specific net-zero targets
- (D) No, we would not like to provide further details on our organisation's asset class, high-emitting sectors or mandate or fund-specific net-zero targets
- (E) No, our organisation does not have any asset class, high-emitting sectors or mandate or fund-specific net-zero targets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
NZAM 1	PLUS	NZAM, SO 3	SO 3.1, SO 3.2	PUBLIC	Focus: Setting net-zero targets	General

Select the relevant asset class breakdown for your organisation to report on your net-zero targets.

- (A) PRI's standard asset class breakdown
- (B) Asset class breakdown as per the NZAOA's Target Setting Protocol

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3.1	PLUS	SO 3	N/A	PUBLIC	Focus: Setting net-zero targets	General

Provide details of your nearest-term net-zero targets per asset class.

- (A) PRI asset class breakdown
  - Listed equity

## Target details

### (A) PRI asset class breakdown: Listed equity

(1) Baseline year	2019
(2) Target to be met by	2030
(3) Emissions included in target	(1) Scope 1 (2) Scope 2
(4) Methodology	Net Zero Investment Framework (NZIF)
(5) Metric used	(3) Intensity-based: tCO <sub>2</sub> e/Mn USD
(6) Baseline amount	86,0 tCO <sub>2</sub> /Mn USD. Covers both listed equity and corporate bonds.  We have not calculated baseline amount for equities and corporate bonds separately, instead we have joint baseline amount.
(7) Current amount (if different from baseline amount)	59,7 tCO <sub>2</sub> /Mn USD. Covers both listed equity and corporate bonds.  We have not calculated current amount for equities and corporate bonds separately, instead we have joint current amount.
(8) Targeted reduction with respect to baseline	30.58%
(9) Percentage of total AUM covered in your baseline year for target setting	
(10) If coverage is below 100% for this asset class, explain why	We have excluded our green bond fund. Other direct equity and direct corporate bond funds managed by LTAM are included in the target. Seligson&Co's funds are not included in the baseline year calculation, because they weren't part of LocalTapiola AM holding structure at 2019 and there is currently no baseline data available. Also most of the client accounts are out of scope.

**Fixed income**

## Target details

### (A) PRI asset class breakdown: Fixed income

(1) Baseline year	2019
(2) Target to be met by	2030
(3) Emissions included in target	(1) Scope 1 (2) Scope 2
(4) Methodology	Net Zero Investment Framework (NZIF)
(5) Metric used	(3) Intensity-based: tCO2e/Mn USD
(6) Baseline amount	86,0 tCO2/Mn USD. Covers both listed equity and corporate bonds. We have not calculated baseline amount for equities and corporate bonds separately, instead we have joint baseline amount.
(7) Current amount (if different from baseline amount)	59,7 tCO2/Mn USD. Covers both listed equity and corporate bonds. We have not calculated current amount for equities and corporate bonds separately, instead we have joint current amount.
(8) Targeted reduction with respect to baseline	30.58%
(9) Percentage of total AUM covered in your baseline year for target setting	
(10) If coverage is below 100% for this asset class, explain why	We have excluded our green bond fund. Other direct equity and direct corporate bond funds managed by LTAM are included in the target. Seligson&Co's funds are not included in the baseline year calculation, because they weren't part of LocalTapiola AM holding structure at 2019 and there is currently no baseline data available. Also most of the client accounts are out of scope.
<input type="checkbox"/> Private equity <input checked="" type="checkbox"/> Real estate	

## Target details

### (A) PRI asset class breakdown: Real estate

(1) Baseline year 2019

(2) Target to be met by 2030

(3) Emissions included in target (1) Scope 1  
(2) Scope 2  
(3) Scope 3

(4) Methodology The Net Zero Carbon Buildings Commitment. Target is to be net zero 2030 (Scope 1 and 2 energy related emissions including refrigerants and process loads).

(5) Metric used (9) Other

(6) Baseline amount 6,8 tCO<sub>2</sub>/Bn USD (GAV)

(7) Current amount (if different from baseline amount) 4,2 tCO<sub>2</sub>/Bn USD (GAV)

(8) Targeted reduction with respect to baseline 38,24%

(9) Percentage of total AUM covered in your baseline year for target setting 100%

(10) If coverage is below 100% for this asset class, explain why

- Infrastructure
- Hedge funds
- Forestry
- Farmland
- Other



## TRACKING PROGRESS AGAINST TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4	PLUS	SO 2	SO 4.1	PUBLIC	Tracking progress against targets	1

**Does your organisation track progress against your nearest-term sustainability outcomes targets?**

**(A1) Sustainability outcome #1:**

(A1) Sustainability outcome #1: NZAM AUM commitment

Target name: NZAM AUM commitment

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

**(B1) Sustainability outcome #2:**

(B1) Sustainability outcome #2: NZAM portfolio emissions

Target name: NZAM portfolio emissions

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

**(C1) Sustainability outcome #3:**

(C1) Sustainability outcome #3: NZAM climate solutions

Target name: NZAM climate solutions

Does your organisation track progress against your nearest-term sustainability outcome targets?

(1) Yes

**(D1) Sustainability outcome #4:**

(D1) Sustainability outcome #4: NZAM Direct Real Estate: The Net Zero Carbon Buildings Commitment

Target name: NZAM: The Net Zero Carbon Buildings Commitment

Does your organisation track progress against your nearest-term sustainability outcome targets?

(1) Yes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4.1	PLUS	SO 4	N/A	PUBLIC	Tracking progress against targets	1

**During the reporting year, what qualitative or quantitative progress did your organisation achieve against your nearest-term sustainability outcome targets?**

**(A1) Sustainability Outcome #1: Target details**

(A1) Sustainability Outcome #1: NZAM AUM commitment

(1) Target name: NZAM AUM commitment

(2) Target to be met by: 2030

(3) Metric used (if relevant): % of AUM managed in line with net zero

(4) Current level or amount (if relevant): 41%

(5) Other qualitative or quantitative progress  
 There are no changes in our calculations compared to the initial target setting. Change in the percentage of AUM compared to the initial target reflect alterations in market values of the investments, including currency rates, and/or changes in asset allocation.

(6) Methodology for tracking progress

**(B1) Sustainability Outcome #2: Target details**

(B1) Sustainability Outcome #2: NZAM portfolio emissions

(1) Target name NZAM portfolio emissions

(2) Target to be met by 2030

(3) Metric used (if relevant) tCO2e/Mn USD for listed equity and corporate bonds

(4) Current level or amount (if relevant) 59,7 tCO2e/Mn USD for listed equity and corporate bonds

(5) Other qualitative or quantitative progress  
 We have made product changes to achieve the target. We have altered the LocalTapiola Market Funds into climate index funds that track the Paris Aligned indices. In 2022, we tightened up limits related to fossil energy (relative turnover and production).

(6) Methodology for tracking progress  
 We calculate the carbon footprint of our portfolios twice a year and monitor changes. We calculate the carbon intensity relative to euros, and monitor changes in the unit tCO2/Mn EUR. Due to exchange rate changes, percentage changes calculated in euros may differ from those reported in SO3.1.

**(C1) Sustainability Outcome #3: Target details**

(C1) Sustainability Outcome #3: NZAM climate solutions

(1) Target name NZAM climate solutions

(2) Target to be met by 2030

(3) Metric used (if relevant) % of AUM in climate solutions for listed equity and corporate bonds

(4) Current level or amount (if relevant)	4,7%
(5) Other qualitative or quantitative progress	As in the calculation of the portfolio emissions, the green bond fund has also been excluded from the climate solutions figure, even though it would increase the figure. We track taxonomy alignment at the portfolio level. At this point this covers climate change mitigation (which percentage figure is reported in (4)) and climate change adaptation. Some of our portfolios have minimum taxonomy alignment thresholds.
(6) Methodology for tracking progress	We calculate portfolio level taxonomy alignment annually. For portfolios that have taxonomy alignment threshold, the taxonomy limit is monitored daily by our Middle Office.

**(D1) Sustainability Outcome #4: Target details**

(D1) Sustainability Outcome #4:	NZAM Direct Real Estate: The Net Zero Carbon Buildings Commitment
(1) Target name	NZAM: The Net Zero Carbon Buildings Commitment
(2) Target to be met by	2030
(3) Metric used (if relevant)	tCO <sub>2</sub> e/Bn USD (GAV)
(4) Current level or amount (if relevant)	4,2 tCO <sub>2</sub> /Bn USD (GAV)
(5) Other qualitative or quantitative progress	We have carried out work to improve energy efficiency in order to reduce energy consumption and emissions. In addition, we have investigated the implementation of renewable district heating.
(6) Methodology for tracking progress	We track the progress through the annual carbon footprint calculation (in accordance with the GHG protocol) and through our GRESB reporting.

# INDIVIDUAL AND COLLABORATIVE INVESTOR ACTION ON OUTCOMES

## LEVERS USED TO TAKE ACTION ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 5	PLUS	SO 2	Multiple	PUBLIC	Levers used to take action on sustainability outcomes	1, 2, 5

During the reporting year, which of the following levers did your organisation use to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

- (A) Stewardship with investees, including engagement, (proxy) voting, and direct influence with privately held assets  
 Select from drop down list:
  - (1) Individually
  - (2) With other investors or stakeholders
- (B) Stewardship: engagement with external investment managers
- (C) Stewardship: engagement with policy makers
- (D) Stewardship: engagement with other key stakeholders
- (E) Capital allocation
- (F) Our organisation did not use any of the above levers to take action on sustainability outcomes during the reporting year

## CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 7	PLUS	OO 17 FI, SO 1	N/A	PUBLIC	Capital allocation	1

During the reporting year, did you use thematic bonds to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

### Thematic bond(s) label

(A) Sustainability Outcome #1:  
NZAM AUM commitment

(A) Green/climate bonds  
(D) Sustainability-linked bonds

(B) Sustainability Outcome #2:  
NZAM portfolio emissions

(A) Green/climate bonds  
(D) Sustainability-linked bonds

(C) Sustainability Outcome #3:  
NZAM climate solutions

(A) Green/climate bonds  
(D) Sustainability-linked bonds

(D) Sustainability Outcome #4:  
NZAM climate engagement

## STEWARDSHIP WITH INVESTEES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 8	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

**During the reporting year, how did your organisation use stewardship with investees to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?**

### (A) Across all sustainability outcomes

(1) Describe your approach	<p>At LocalTapiola Asset Management Ltd we are active owners and we encourage the investee companies to set Science-based emission reduction Targets in order to mitigate potential negative outcomes of climate change.</p> <p>We also have a customized proxy voting policy according to which we expect the Climate Action 100 + companies to align their strategies in accordance of Paris Agreement or that those companies have other credible strategy plan towards net zero by year 2050 at the latest.</p>
(2) Stewardship tools or activities used	<p>(1) Engagement</p> <p>(2) (Proxy) voting at shareholder meetings</p>
(3) Example	<p>The portfolio managers for LTAM Ltd meet regularly the investee companies in our actively managed stock and credit picking strategies. One of the recurring topics is climate reporting and whether the investee companies have already adopted SBTs. Our engagement is twofold in encouraging investee companies in committing to emission reduction targets.</p>

LTAM Ltd participated in CDP's SBTi Campaign for the third year running. We supported the campaign and also published our participation on our social media and website. After the campaign our portfolio managers also contacted individually those of our portfolio investee companies who have not yet set SBTs for their operations. In 2022 our PMs contacted 45 companies. The monitoring of investee companies SBT status is also included in the portfolio manager's sustainability analysis.

Some examples of voting status for the Climate Action 100 + companies in the 2022 proxy voting season, LTAM Ltd voted on behalf of our asset management clients for and supported following shareholder proposals in AGMs: Exxon Mobil to Set GHG Emissions Reduction targets Consistent With Paris Agreement Goal and Report on Scenario Analysis Consistent with International Energy Agency's Net Zero by 2050; Conoco Phillips to Report on GHG Emissions Reduction Targets; Chevron to Adopt Medium and Long-Term GHG Emissions Reduction Targets and to issue audited net zero scenario analysis.

**(B) Sustainability Outcome #1:**

(B) Sustainability Outcome #1:	NZAM AUM commitment
(1) Describe your approach	
(2) Stewardship tools or activities used	(1) Engagement
(3) Example	CDP - NDC

**(C) Sustainability Outcome #2:**

(C) Sustainability Outcome #2:	NZAM portfolio emissions
(1) Describe your approach	
(2) Stewardship tools or activities used	(1) Engagement (2) (Proxy) voting at shareholder meetings
(3) Example	

**(D) Sustainability Outcome #3:**

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(D) Sustainability Outcome #3: NZAM climate solutions

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(1) Describe your approach

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(2) Stewardship tools or activities used

(1) Engagement  
(2) (Proxy) voting at shareholder meetings

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(3) Example

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**(E) Sustainability Outcome #4:**

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(E) Sustainability Outcome #4: NZAM Direct Real Estate: The Net Zero Carbon Buildings Commitment

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(1) Describe your approach

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(2) Stewardship tools or activities used

(1) Engagement  
(6) Taking roles on investee boards  
(7) Working directly with portfolio companies and/or real asset management teams

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(3) Example

LocalTapiola Real Estate Asset Management manages 100 % of the real estates that are in the real estate fund structures. Therefore, we are able to decide ourselves the necessary steps to take to advance sustainability outcomes.

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# CONFIDENCE-BUILDING MEASURES (CBM)

## CONFIDENCE-BUILDING MEASURES

### APPROACH TO CONFIDENCE-BUILDING MEASURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 1	CORE	N/A	Multiple indicators	PUBLIC	Approach to confidence-building measures	6

#### How did your organisation verify the information submitted in your PRI report this reporting year?

- (A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion
- (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
- (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
- (D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report
- (E) We conducted an external ESG audit of our holdings to verify that our funds comply with our responsible investment policy
- (F) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
- (G) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI
- (H) We did not verify the information submitted in our PRI report this reporting year

## INTERNAL AUDIT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 4	CORE	OO 21, CBM 1	N/A	PUBLIC	Internal audit	6

#### What responsible investment processes and/or data were audited through your internal audit function?

- (A) Policy, governance and strategy  
Select from dropdown list:
  - (1) Data internally audited
  - (2) Processes internally audited
  - (3) Processes and data internally audited
- (B) Manager selection, appointment and monitoring  
Select from dropdown list:
  - (1) Data internally audited
  - (2) Processes internally audited
  - (3) Processes and data internally audited
- (C) Listed equity

Select from dropdown list:

- (1) **Data internally audited**
- (2) Processes internally audited
- (3) Processes and data internally audited

(D) **Fixed income**

Select from dropdown list:

- (1) **Data internally audited**
- (2) Processes internally audited
- (3) Processes and data internally audited

(F) **Real estate**

Select from dropdown list:

- (1) **Data internally audited**
- (2) Processes internally audited
- (3) Processes and data internally audited

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 5	PLUS	CBM 1	N/A	PUBLIC	Internal audit	6

**Provide details of the internal audit process regarding the information submitted in your PRI report.**

The aim of the internal audit was to make sure, in essential parts, that the reporting figures in the PRI report have been properly derived from different data sources and that the data sources and background assumptions of the report have been clearly documented. The inspection was carried out by going through the documentation and matching the reported numbers with the source data.

## INTERNAL REVIEW

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 6	CORE	CBM 1	N/A	PUBLIC	Internal review	6

**Who in your organisation reviewed the responses submitted in your PRI report this year?**

- (A) Board, trustees, or equivalent
- (B) **Senior executive-level staff, investment committee, head of department, or equivalent**

Sections of PRI report reviewed

- (1) **the entire report**
- (2) selected sections of the report
- (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year