



Responsible Investment Policy
eQ Asset Management Ltd.
eQ Fund Management Company Ltd.
valid as of 15 April 2026



Version history

Applied (date)	Version	Changes
14 September 2021	2.0	Annual update (The EU SFDR Regulation (EU) 2019/2088)
14 September 2022	3.0	Annual update (PAI indicators and venture capital investments)
18 September 2023	4.0	Annual update (ESG updates to investment processes and identifying sustainability preferences)
29 August 2024	5.0	Annual update (EDCI Initiative, adding biodiversity to promotion themes and updates to the ESG reporting cycle)
25 September 2025	6.0	Annual update (clarification of the roles of eQ Fund Management Company and eQ Asset Management, and exclusions for ESG index funds)
15 April 2026	7.0	Annual update (exclusion concerning the investments of the eQ Government Bond Fund)



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1. Introduction

These principles for responsible investment describe how eQ Asset Management Ltd. (hereinafter eQ Asset Management) implements responsibility and sustainability in its practical investment operations. The principles for responsible investment apply to both eQ Asset Management and eQ Fund Management Company Ltd. (hereinafter eQ Fund Management Company and, together with eQ Asset Management, “eQ”), as eQ Fund Management Company has outsourced the portfolio management and investment operations of the funds it manages to eQ Asset Management. eQ Asset Management also applies these principles when managing clients’ investment assets under asset management agreements. These principles for responsible investment are approved annually by the Boards of Directors of eQ Asset Management and eQ Fund Management Company. The principles are available together with the Stewardship Policy of eQ Asset Management and eQ Fund Management Company on eQ Group’s website.

eQ Asset Management has for several years acted as an active forerunner in responsible investment. eQ Asset Management signed the United Nations Principles for Responsible Investment (PRI, UN’s Principles for Responsible Investment) in 2010 and has accordingly undertaken to incorporate ESG factors (environmental, social and governance) as part of the investment processes, to be an active owner and to promote the development of responsible investing practices in the industry. eQ Asset Management is also an active member of Finsif (Finland’s Sustainable Investment Forum) and Finance Finland.

Furthermore, eQ Asset Management promotes the implementation of sustainability in private equity funds through its activities in the Finnish Venture Capital Association (as the chair of the association’s ESG working group), Invest Europe and the ESG Data Convergence Initiative (EDCI), and correspondingly, in real estate investments, through its activities in Rakli (Finnish Property Owners and Construction Clients Rakli), Green Building Council Finland (FIGBC) and the GRESB (Global Real Estate Sustainability Benchmark) assessment. In fixed income and equity investments, eQ Asset Management has signed CDP’s Climate Change programme, and eQ Asset Management encourages companies to specify science-based emission reduction targets for their own operations through the Science Based Targets initiative (SBTi) organised by CDP.

These principles for responsible investment form a framework for all of eQ Asset Management’s investment operations and processes. The principles cover all asset classes, and their application varies depending on the asset class and investment method.

2. Responsible and sustainable investing

eQ Asset Management and eQ Fund Management Company comply with the requirements of the EU Sustainable Finance Disclosure Regulation (SFDR, 2019/2088) and regularly report on the implementation of the regulation in the funds managed by eQ Fund Management Company and in the client portfolios managed by eQ Asset Management.

Responsibility and sustainability are a key part of eQ Asset Management’s investment operations and processes. In practice, this means that sustainability risks and opportunities are systematically and practically integrated into the selection, monitoring and reporting of investments in all investment areas managed by eQ Asset Management (Disclosure Regulation (EU) 2019/2088, Article 3). eQ Asset Management’s objective is to identify investments and return opportunities that benefit from sustainable operations, as well as to reduce investment risks.

Sustainability risk refers to an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of an investment (Disclosure Regulation (EU) 2019/2088, Article 2, point 22). Potential realisation of a sustainability risk in an investment may have a negative impact on the value of the investment, as well as on society and/or the environment more generally. The materiality of sustainability risks varies across different sectors and business models, and investments may also be exposed to sustainability risks through their value chains. The table on the following page lists typical sustainability risks that may potentially be identified in investment products. The fund prospectuses and rules of the funds managed by eQ Fund Management Company describe in more detail how sustainability risks are taken into account in investment decision-making for each product and what potential sustainability risks are associated with the products.

Environmental risks	Social risks	Governance risks
Ability of businesses to consider climate change in their operation	Risks to employees' health, safety and well-being	Inadequate management of sustainability factors in business
Questions related to energy and material efficiency	Human rights violations	Questions related to the composition of the Board of Directors
Exposure to scarcity of water	Realisation of diversity at the workplace, and sustainable development of human capital	Action against corruption and bribery
The challenges of waste amount and processing	Endangerment of product safety	Questions related to cybersecurity, protection of information, and data protection
Risks related to biodiversity	Risks associated with the management of the supply chain	
Questions related to the production and purchase of renewable energy (real estate investments)	Decrease in customer satisfaction	
The climate resilience of real estate, i.e. the ability to adapt to changes caused by climate change in the surrounding business environment now and in the future	Violation of the rights of indigenous peoples	

eQ Asset Management and eQ Fund Management Company are committed to considering the principal adverse impacts of investment decisions on sustainability factors and to collecting PAI indicators (Principal Adverse Impact) from their investments, which are used to monitor potential adverse sustainability impacts in the investments (Disclosure Regulation (EU) 2019/2088, Articles 4 and 7). In addition, eQ Asset Management considers principal adverse sustainability impacts when providing investment advice. The statements on the principal adverse impacts of investment advice and investment decisions on sustainability factors, as well as the annual PAI indicator reports of eQ Asset Management and eQ Fund Management Company, are available on eQ Group's website. PAI indicators are reported for all asset classes, excluding North American private equity investments and venture capital investments, in

which the funds managed by eQ Fund Management Company or the client portfolios managed by eQ Asset Management invest. The monitoring and reporting of principal adverse impacts form part of eQ's responsible investment operating model, the objective of which is to identify, prevent and reduce potential adverse impacts of investments on the environment and society.

The Director of Responsible Investment is responsible for coordinating the implementation and development of responsible investment at eQ Asset Management with respect to all funds managed by eQ Fund Management Company and their investment operations. The heads of the investment teams (fixed income, equities, real estate investments and private equity investments) are responsible for the integration and monitoring of ESG in their respective investment teams. Each portfolio manager and analyst working with investment decisions and client portfolios systematically considers sustainability factors related to investments in their work. In addition, the risk management and compliance functions are involved in the SFDR and ESG reporting of investment products and in monitoring regulatory changes. Furthermore, the risk management function of eQ Fund Management Company is responsible for and monitors compliance with the limits set for sustainability and greenwashing risks with respect to the SFDR Article 8 and Article 9 funds managed by eQ Fund Management Company.

eQ informs its clients about its principles for responsible investment and ESG practices and discusses clients' expectations regarding responsible investment. Where possible, the client's own responsible investment policy is taken into account in the management of client assets. In addition, eQ Asset Management determines the sustainability preferences of clients within the scope of investment advice in accordance with MiFID II regulation. eQ Asset Management organises client events on ESG matters and provides training to its clients, as needed, for example on issues related to sustainable finance regulation.

eQ's entire personnel and investment teams are also regularly trained on current responsibility themes and trends. As part of its induction programme, eQ also commits new employees to following the company's responsible investment operating practices.

The Board of Directors of eQ Plc is provided once a year with a report on the implementation of sustainability and responsible investment and on future development measures in all of eQ's investment areas. In addition, the Board of Directors of eQ Fund Management Company regularly reviews the reports concerning the investment areas in accordance with the Disclosure Regulation. Furthermore, eQ submits an annual report to the PRI on our responsible investment practices and concrete engagement measures carried out in investments.

3. Responsible and sustainable investing as part of investment processes

3.1 Equity and fixed income investments

eQ Asset Management's key responsible investment approaches in the investment operations of the funds managed by the fund management company are the integration of ESG factors into investment processes, active ownership and engagement, and exclusion. In addition, in the selection and monitoring of investments in the actively managed funds of eQ Asset Management, the potential occurrence of breaches of norms contrary to the UN Global Compact principles is taken into account. If a company has a verified severe norm violation and its operations do not meet the requirements of good governance, eQ will not invest in it.

eQ assesses the target companies of the funds with respect to environmental, social and governance matters, i.e. ESG factors, both before making an investment decision and during the ownership period. Investments are monitored regularly, and eQ seeks to influence the

operating practices of companies. Engagement is carried out by engaging directly in sustainability dialogue with companies, by participating in companies' general meetings when necessary, and by influencing companies through engagement initiatives, either alone or together with other investors. eQ's promotion measures relate to climate change mitigation, consideration of biodiversity, respect for human rights, anti-corruption measures, consideration of environmental matters, good governance and reporting on sustainability factors.

The investments of the actively managed fixed income and equity funds of eQ Asset Management are assessed using sustainability indicators approved by eQ Fund Management Company. The sustainability indicators include the level of emissions of target companies, the development of carbon intensity, commitment to emission reduction targets (science-based emission target, SBTi), assessment of adverse sustainability impacts (PAI indicators), and the target company's readiness to manage the risks and opportunities related to the transition to a low-carbon economy. In the Article 9 equity fund, the indicators also include the projected development of companies' emissions and the fund's assumed temperature increase in relation to the objective under the Paris Climate Agreement. In addition, eQ uses an assessment by an external service provider on the development of a company's responsibility. This assessment serves as a so-called "second opinion" and complements the portfolio manager's own ESG assessment of the investments.

In the government bond fund managed by eQ Fund Management Company, eQ monitors, among other things, the development of the carbon intensity of issuers, i.e. states, warming scenarios concerning states, the number of states on the EU sanctions list, the implementation of the rule of law, freedom of the press and the occurrence of corruption in the public sector in the issuing states.

eQ uses environmental and social responsibility indicators to the extent that appropriate information is available and utilises data produced by third parties, such as MSCI, ISS STOXX and Bloomberg, in its monitoring. eQ regularly assesses whether the data providers and sustainability indicators used are up to date. In addition, eQ requires that the data provider used regularly assesses whether the information it provides and the methodology related to its production are up to date.

With respect to the asset management cooperation partners it uses, eQ always determines before making an investment whether the asset manager has signed the UN Principles for Responsible Investment, whether the asset manager has a responsible investment policy, what sustainability resources and processes are in place and how the asset manager reports, as well as how EU sustainable finance regulation is implemented in the asset manager's operations. From existing cooperation partners, eQ expects regular sustainability reporting as well as a summary of annual voting activity and discussions held with investments.

More detailed fund-specific sustainability information is available at www.eq.fi.

3.2 Private equity, private credit and venture capital investments

Sustainability- and responsibility-related factors are systematically taken into account in private equity and private credit investments managed by eQ Asset Management (selection, monitoring and reporting of investments), and eQ seeks to take them into account also in venture capital investments. If external advisers are used in the funds, eQ requires that they themselves meet the sustainability criteria and carry out ESG due diligence in the selection of investments. The practices concerning ESG monitoring vary as described below.

Private equity investments

Responsibility is always part of the investment decision. As part of the investment process, eQ seeks to identify broadly the sustainability risks and opportunities related to the target

funds. When assessing the responsibility and sustainability of the management company of a potential target fund, eQ begins with the basics, including the attitude towards responsibility and written policies and guidelines. As part of ESG due diligence, eQ reviews descriptions of the responsible investment process, tools and methods related to the selection and monitoring of investments, indicators set for investments, investor reporting, and the implementation of the requirements of the EU Sustainable Finance Disclosure Regulation in the processes of private equity managers within the scope of the regulation. For each fund, a responsibility assessment is defined in connection with the due diligence process, and its development is monitored annually. Responsibility- and sustainability-related aspects are included in the legal documentation of the target fund, including eQ Asset Management's commitment to the PRI, compliance with international laws and human rights, the ESG reporting obligation to eQ, and the obligation to respond to eQ's annual ESG survey.

The implementation and development of responsibility and sustainability in investments are monitored systematically through an annual survey sent to target funds, which has been carried out since 2017, and through active discussions with the managers of the target funds. In addition, eQ actively participates in the annual meetings of target funds and in the work of their advisory boards.

An external adviser is used in the North America private equity funds managed by eQ Fund Management Company, and the adviser is also responsible for carrying out the ESG review. eQ carries out ESG monitoring itself with respect to North American funds.

The ESG assessment focuses on the following aspects:

- ESG practices in investment operations,
- commitment to the PRI,
- availability of ESG reporting,
- measurement and reporting of PAI indicators / ESG indicators included in the ESG Data Convergence Initiative, and
- good governance practices.

Based on the results of the ESG survey, the responsibility assessment of each target fund is updated, and the results and performance within the peer group are reported to each target fund. eQ engages in active discussions with the managers of target funds if the responsibility score is weak or declining. In addition, eQ actively seeks to promote the development of responsibility practices and the sharing of best practices in its target segment, for example through webinars. With respect to North American funds, eQ also seeks to promote the development of responsibility practices through active measures taken by the adviser.

In addition to its own operations, eQ also wishes to be actively involved in promoting the implementation and further development of responsible investment practices in the private equity sector. eQ participates, among other things, through the ESG working group and the sustainable finance regulation working group of the Finnish Venture Capital Association.

Venture capital investments

An external adviser is used in the venture capital fund products managed by eQ Fund Management Company. A review concerning responsible investment (ESG) is carried out for the target funds. In the venture capital market, it is typical that fund managers do not report on the ESG development of target companies. ESG is an important part of eQ's investment process, and eQ, together with the fund adviser, seeks to influence managers to increasingly incorporate a more systematic ESG approach into their investments and to report on their activities.

Private credit investments

An external adviser is used in the private credit fund products managed by eQ Fund Management Company. The adviser is responsible for carrying out ESG due diligence, preparing an ESG report on private credit investments, and reporting on the implementation of the requirements of the Sustainable Finance Disclosure Regulation.

3.3 Real estate investments

Real estate and residential funds have been set a carbon-neutrality target for energy consumption during use by 2030. The measures to achieve the target have been defined in the Low Carbon Roadmap (2020). The achievement of the target is monitored and reported annually to investors. The set low-carbon target is strongly reflected both in the acquisition process for properties and in measures to promote responsibility and sustainability during ownership. The real estate and residential funds managed by eQ Fund Management Company contribute to the fulfilment of the environmental objective concerning climate change adaptation referred to in the EU Taxonomy Regulation.

The funds' key responsible investment approaches are the integration of ESG into investment practices, active ownership and real estate development.

During the real estate acquisition phase, the necessary due diligence reports are always prepared, also taking into account sustainability aspects. Technical and environmental due diligence includes, among other things, a condition assessment, energy systems and sources, compliance with official requirements, indoor air quality, zoning, usage history, soil, radon mapping and flood risks. Sustainable modes of transport, the location of the property from the perspective of public transport, and the management of life cycle costs are also assessed. In new properties, energy-efficient and environmentally friendly material choices and design solutions are preferred.

During the ownership period, measures are taken in individual properties to promote responsibility and sustainability. Among other things, consumption data for all properties (energy, water, waste) is collected, deviations are monitored and measures are taken based on the data. In addition, energy efficiency improvement measures are carried out in relation to, among other things, ventilation, heating and cooling systems, lighting and the thermal insulation of structures.

BREEAM In-Use certification has been adopted in the real estate funds as a key tool for monitoring and developing responsibility and sustainability at the property level. BREEAM (Building Research Establishment's Environmental Assessment Method) assesses the environmental impacts of a building in terms of management, energy and water consumption, materials and transport. BREEAM In-Use certification targets, including timetables and Very Good target levels, have been set for the funds' real estate properties. With the help of certification, the functionality of both the property and its related maintenance functions is assessed, possible deficiencies are identified and development targets are selected.

Environmental and climate matters are a central theme in the sustainability management of real estate investments. In the selections made, eQ seeks to find solutions with as low a carbon footprint as possible. Since the beginning of 2018, purchased electricity produced with renewable energy has been used in the properties of the real estate funds, and since 2020, green district heating has been used in the majority of properties. In addition, the possibility of using geogeneity and solar power is always investigated for properties.

The results obtained from the GRESB responsibility assessment at portfolio level are used as another significant tool in monitoring and developing the implementation of responsibility and sustainability. Since 2019, the real estate funds managed by eQ Fund Management Company

have participated in the GRESB (Global Real Estate Sustainability Benchmark) international responsibility assessment for the real estate sector.

Collaboration with significant stakeholders is also key. One example is the regular tenant satisfaction survey, the purpose of which is to collect information on the satisfaction and experiences of the users of the properties, and to identify development targets both for individual properties and for eQ's own operations and processes as well as those of its cooperation partners. Cooperation with the suppliers used by eQ in responsibility matters is also important. eQ's Supplier Code of Conduct is always attached to all agreements, such as construction contracts and service agreements. Both eQ and the contractors used by eQ have zero tolerance for the grey economy, underpayment and illegal labour.

The implementation of responsibility and sustainability and their continuous development are part of the daily work of every employee in the real estate operations. Consideration of sustainability risks has been integrated as a natural part of processes and practices. eQ is committed to continuously developing responsibility and sustainability. eQ treats real estate as a so-called "eternal owner", in which case it is important to make and implement long-term sustainable solutions for the development of both its own processes and the technical properties of real estate assets. In addition, eQ wants to be actively involved in developing the industry and its practices.

More detailed fund-specific sustainability information is available at www.eq.fi.

4. Exclusion

In its ESG approach across all asset classes, eQ favours active ownership, engagement and development. From an ESG perspective, even a weak company may be considered as an investment if the company is actively and determinedly implementing changes in its operations or product portfolio, measuring the change and reporting on it. eQ believes that, instead of exclusion, active engagement, particularly in environmental matters, is a more effective way to develop matters in a positive direction both at company and societal level.

4.1 Exclusions regarding investments

Actively managed fixed income and equity funds

- If a company has a verified serious norm violation contrary to the UN Global Compact principles and its operations do not meet the requirements of good governance, eQ will not invest in it.
- The UN Global Compact principles are aligned with the following universal principles: the UN Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Rio Declaration on Environment and Development, and the UN Convention against Corruption.
- If a company has business activities related to controversial weapons, including cluster bombs, chemical weapons and biological weapons, eQ will not invest in it.
- eQ Blue Planet fund, Article 9:
 - Norm violations by companies and involvement in harmful sectors are assessed in the fund so that the exclusions include at least investments in companies referred to in Article 12(1)(a–g) of Commission Delegated Regulation (EU) 2020/1818.
 - The following sectors have been excluded from the fund: fossil energy, gambling, alcohol, tobacco, weapons and defence, and soft drinks.

- eQ Government Bond fund, Article 8:
 - The fund excludes from its investments issuing states in which compliance with the rule of law is not fulfilled. If an investment of the fund potentially becomes subject to exclusion, eQ seeks to divest the investment within a reasonable period of time.

ESG Index funds

- eQ Europe Index ESG and eQ World Index ESG:
 - The indices tracked by the funds exclude shares of companies that are involved in the following activities and/or derive revenue, above the threshold defined by the index provider, from the following activities.
 - (a) Harmful products, i.e. adult entertainment, alcohol, gambling, tobacco and cannabis.
 - (b) Non-renewable energy, i.e. nuclear power and fossil fuels, including electricity generation from oil, gas and thermal coal.
 - (c) Weapons, including chemical and biological weapons, cluster bombs, anti-personnel mines, nuclear weapons, civilian firearms and conventional military weapons.
 - In addition to the above criteria, the indices exclude companies that are not aligned with the UN Global Compact principles, meaning companies that do not meet the labour, human rights, environmental and anti-corruption standards defined by the UN Global Compact principles, or that have committed serious norm violations related to these standards.

Real estate and residential funds

- eQ Community Properties, eQ Commercial Properties and eQ Residential III funds, Article 9:
 - The funds exclude properties that do not contribute to the achievement of the carbon-neutrality target set for the funds.

5. Stewardship policy

Stewardship is a key component of the responsible investment principles of eQ Asset Management and eQ Fund Management Company. It is implemented throughout the investment process and related procedures across all asset classes of the funds managed by eQ Fund Management Company. In its investment activities, eQ Asset Management pays attention to ensuring that investee companies operate in accordance with good governance practices and, in addition to financial considerations, take into account material sustainability factors relevant to their operations. These include environmental, social and governance (ESG) factors, in line with the responsible investment principles of eQ Asset Management and eQ Fund Management Company.

The primary tools of stewardship are engagement and the exercise of voting rights. Investee companies are monitored on a regular basis, and efforts are made to influence their practices and conduct. Engagement is carried out through direct sustainability dialogue with companies and, when necessary, by participating in shareholders' meetings. In addition, companies are influenced through service providers and collaborative engagement initiatives, either independently or together with other investors. For example, ISS STOXX reviews norm violations across all fixed income and equity funds managed by eQ Fund Management Company, engages directly with companies involved in such cases, and monitors their progress. The funds managed by eQ Fund Management Company exercise their voting rights at general meetings



when deemed appropriate. Further details on active stewardship practices are provided in the Stewardship Policy of eQ Asset Management and eQ Fund Management Company.

6. Reporting

eQ regularly reports to its clients on the implementation of sustainability across all asset classes. eQ publishes ESG reports semi-annually for the fixed income and equity funds, real estate and residential funds managed by eQ Fund Management Company, as well as for the discretionary portfolios managed by eQ Asset Management. For private equity investments, eQ publishes an ESG report annually. Principal Adverse Impact (PAI) indicators are reported annually for all asset classes, with the exception of North American private equity and venture capital investments.

Sustainability-related information, reviews, and reports concerning the investment products of eQ Asset Management and eQ Fund Management Company are primarily available on the eQ Group's website.