

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: Mandatum AM Private Debt VI

Legal entity identifier: [N/A]

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

Yes

No

It will make a minimum of **sustainable investments with an environmental objective:** \_\_\_%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of **sustainable investments with a social objective:** \_\_\_%

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promotes E/S characteristics, but **will not make any sustainable investments**



### What environmental and/or social characteristics are promoted by this financial product?

*The Mandatum AM Private Debt VI investment basket promotes, among other characteristics, environmental and social characteristics, and the fund managers managing the investments follow good governance practices.*

*The sustainability analysis conducted in the fund manager and fund selection process focuses on whether the fund's investment operations meet the requirements set by Mandatum's principles for responsible investment. In addition, special attention is paid to, among other things, the asset manager's responsible investment policy, reporting practices, the asset manager's memberships or representation in responsible investment organisations and the asset manager's competence and resourcing in the management of sustainability matters.*

*This product promotes environmental and social characteristics in the following ways.*

*Selection of fund managers: In order for a fund to be included in the PD VI strategy, we require that at least two of the following criteria are met:*

- *The fund manager is a signatory to the UN Principles for Responsible Investment (UN PRI)*
- *The fund promotes environmental/social characteristics or makes sustainable investments in accordance with SFDR Article 8 or 9*
- *The fund manager follows, as a minimum, the exclusion criteria defined by Mandatum's Responsible Investment Policy at the time of investment in the investment operations or commits, through a bilateral agreement, to screening out from the investment universe, sectors with a high sustainability risk as specified in Mandatum's Responsible Investment Policy.*

*Due diligence phase: Prior to making an investment decision, a comprehensive ESG survey is sent to all potential investment objects and the fund is given a score based on the survey, making it possible to compare the fund with the other funds in the PD programme. Both the score and the qualitative ESG analysis based on the survey are embedded in the investment decision.*

*Monitoring of funds and active engagement: The aforementioned ESG survey is also sent to all fund managers on annual basis, and the scoring of the responses makes it possible to monitor the development of their ESG position. The survey results are also disclosed to managers and, based on the responses, the ESG team and portfolio managers meet with the managers who are considered to be most in need of improvement in ESG matters compared to other managers. Engaging with managers on their ESG performance is an important aspect of monitoring.*

*The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

*The ESG characteristics promoted by the product are measured by monitoring the share of fund managers that have signed the UN PRI, the share of investments in funds for which the application of sector restrictions/exclusion criteria as defined in Mandatum's Responsible Investment Policy has been agreed through bilateral agreements with the manager, and the share of the investment basket's underlying funds that are SFDR Article 8 or 9 funds. In addition, the share of funds that disclose the principal adverse impacts of the investments on the environment and society are monitored using PAI indicators.*

*An ESG survey is carried out for fund managers during the pre-investment phase and annually thereafter to monitor how sustainability matters have been promoted on the company- and fund-specific levels during the year. An ESG analysis is made on the basis of the survey, and the funds are given a score. All managers are informed of how they rank compared to other underlying funds and what the managers can do to improve their ESG performance. A summary of the survey results is also disclosed to our customers.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

- X** *Yes, This product monitors the following principal adverse impacts: target companies' operations in the fossil fuels sector, breaches of the UN Global Compact principles and OECD guidelines and involvement in the controversial weapons sector.*

*The information is available in the periodic reports to be published annually as required by the SFDR (all reports available on the website).*

- No**

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.



**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

**What investment strategy does this financial product follow?** *The investment basket's assets are primarily invested in unlisted debt that may be secured or unsecured. The investment basket invests its assets indirectly in other funds that invest in European and North American private debt arrangements or other debts of mainly unlisted companies. In selecting and monitoring investment products managed by external funds, asset managers and co-operation partners, the sustainability analysis focusses on the co-operation partner's investment process, resources, competence and ESG reporting. ESG analysis plays a key role in the investment process. The primary focus of ESG analysis is on qualitative analysis, and the investment decision materials include both scoring and qualitative ESG analysis.*

● **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

*In selecting and monitoring investment strategies managed by external funds, asset managers and co-operation partners, Mandatum requires the implementation of a due diligence process that takes sustainability factors into account.*

*Through investor-specific agreements, Mandatum strives to engage with the operations of the funds and ensure that its own Responsible Investment Policy (available on Mandatum's website) is implemented. Agreements can be used, for example, to exclude sectors, remove a specific investment from the allocation or increase the transparency of the fund's investments.*

*With this product, we promote the environmental and social characteristics as referred to in SFDR Article 8. In order for a fund to be included in the PD VI strategy, we require that at least two of the following criteria are met:*

- The fund manager is a signatory to the UN Principles for Responsible Investment (UN PRI)*
- The fund promotes environmental/social characteristics in accordance with SFDR Article 8 or 9*
- The fund manager commits, through an investor-specific agreement, to screening out from the investment universe, sectors/product groups as specified in Mandatum's Responsible Investment Policy.*

● **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

*Mandatum AM Private Debt VI is committed to implementing the binding elements described above. To what extent these binding elements reduce the investment universe is not defined.*

● **What is the policy to assess good governance practices of the investee companies?**

*When selecting the investment basket's fund managers, good governance is ascertained in the due diligence phase. In addition, the governance practices of the managers are surveyed through a sustainability analysis carried out before making the investment and annually thereafter, with the aim of monitoring the implementation of good governance also during the investment's life cycle. The sustainability analysis is carried out using an ESG survey, and meetings are held annually with the managers that are considered to be most in need of improvement in ESG performance.*

*Investor-specific agreements are made to ensure that the managers follow the UN Global Compact principles in their investment operations. The principles are based on international norms concerning human rights, labour rights, the environment and corruption. If misconduct or breaches of norms are detected in a company that the fund has invested in, the usual portfolio management measures include engaging in dialogue with the fund manager, depending on the severity, nature and scope of the breach. Divesting the investment is the last resort, if this is deemed necessary due to the severity, nature and*

scope of the misconduct or breaches and the fund has not taken action to prevent the misconduct or breaches within a reasonable timeframe. A case-by-case assessment is applied to the situations.

## Asset allocation

describes the share of investments in specific assets.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

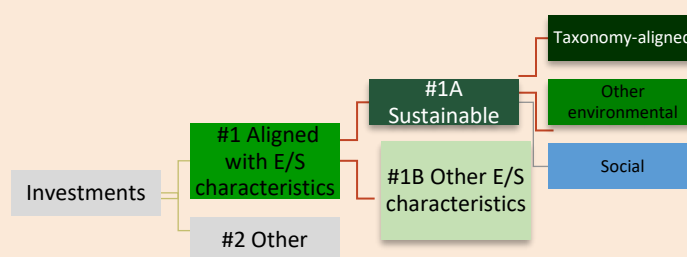
## What is the asset allocation planned for this financial product?

The investments under #1 Aligned with E/S characteristics cover more than 95 per cent of the product.

The category #2 Other includes cash and hedging instruments which are subject to minimum safeguards as described below.

### ● How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The investment basket may enter into financial derivatives contracts for the purpose of hedging, efficient portfolio management and/or implementing its investment strategy. No financial derivatives linked to individual companies are used and as such the use of derivatives does not have an effect on the E/S factors promoted by the product.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



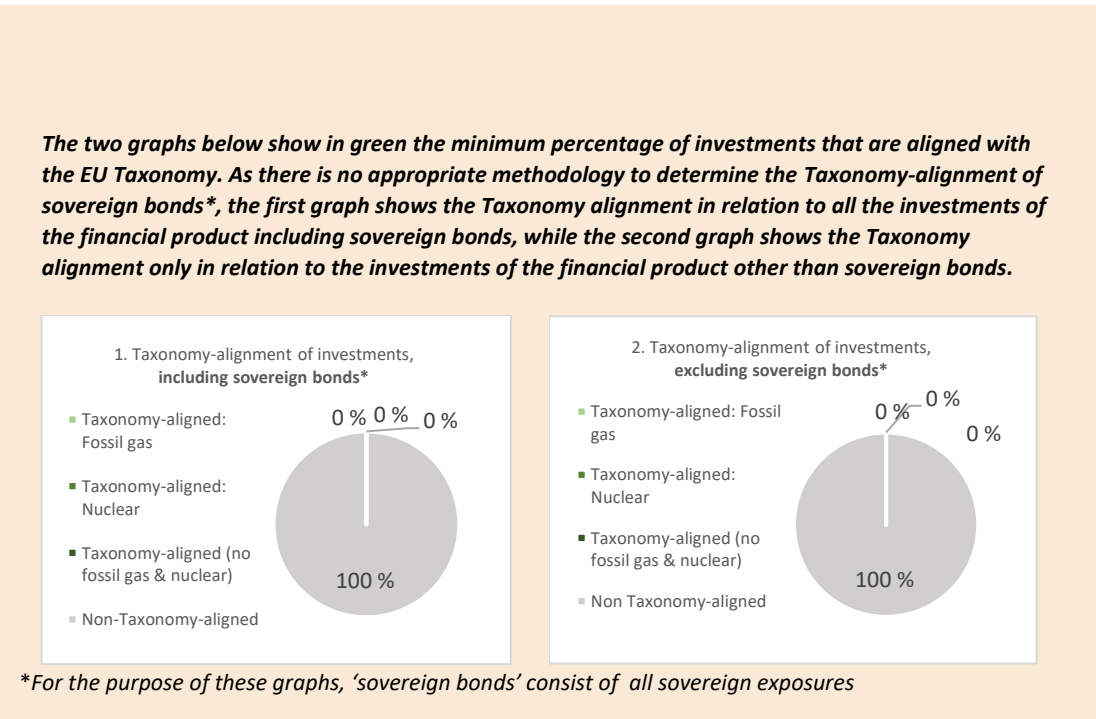
## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

**0 %** The purpose of this product's investment strategy is not to make sustainable investments with an environmental objective aligned with the EU Taxonomy. The investment basket may make investments that are defined sustainable under the EU Taxonomy, provided the investments meet the investment criteria of the product, but does not target any specific allocation.


To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.


● **Does the financial product invest in fossil gas and/or nuclear energy-related activities that are in line with the EU Taxonomy<sup>1</sup>?**

- Yes:
- Fossil gas      Nuclear energy
- No



● **What is the minimum share of investments in transitional and enabling activities?**  
0%

 **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**  
0%

 **What is the minimum share of socially sustainable investments?**  
0%

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

*“#2 Other” includes the cash and cash equivalents and derivatives held by the investment basket ensuring its smooth operation when fulfilling its investment strategy. The investment basket employs the minimum safeguards by screening for compliance with the international norms and standards including the UN Global Compact and the OECD Guidelines for Multinational Enterprises.*



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

*No. The investment basket does not have a benchmark index aligned with the E/S characteristics that it promotes.*



**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

[Key Information Documents - Mandatum Life](#)