

## Principles for taking sustainability risks into account in the investment decision-making process

Sustainability risk refers to an event or situation related to the environmental, social responsibility or governance (ESG) that, were it to materialize, could have a major negative impact on the value of the investment. Gasum Portfolio Services Oy ("GPS") recognizes that its own investment activities and the investment services it provides may involve sustainability risks. GPS takes these risks into account as part of its investment decision-making process and monitors its investments on an ongoing basis, including from a sustainability perspective. In addition to financial aspects, investment decisions also take into account opportunities related to responsible operations and risks involved in operations that do not qualify as responsible. Investment decisions are supported by a classification model to assess and monitor the current and future sustainability risks of investments. In GPS's investment activities, sustainability risks can manifest themselves, for example, in the form of the impact of climate change on weather patterns or the impact of related legislation on energy prices and investments in energy production. GPS takes sustainability risks into account as part of its normal due diligence process for investments and by communicating openly identified sustainability risks to investors. However, GPS's ability to directly influence the sustainability risks and factors of its investments is limited since the investment products offered by GPS are mainly derivative contracts. Therefore, the careful selection of GPS' partners has a significant impact on sustainability risk management. GPS engages in active dialogue with its partners and regularly assesses the level of attention paid to sustainability risks and factors by them. The aim is to ensure that the opportunities and risks associated with sustainability factors are taken into account in the activities of the partners.

GPS does not currently perform a detailed assessment of the likely impacts of sustainability risks on the performance or returns of investments since the magnitude of the potential impacts on the returns of investments is influenced by many factors in addition to sustainability risks, such as time horizon and geographical distribution. However, sustainability risks, if realized, can have a significant negative impact on the returns on investments.

GPS complies with Gasum Ltd's Group-wide sustainability and corporate responsibility program. The sustainability program is linked to the [UN Sustainable Development Goals](#), and GPS contributes to achieving these goals in its activities. Corporate responsibility is reported to stakeholders in accordance with the international GRI standard. The Gasum Group also applies the [Gasum Green Funding Framework](#). The Gasum Group's [Code of Conduct](#) defines the Group's responsible business practices and the way we act with customers and stakeholders, and among our employees as an organization. Please see more information on the Group's sustainability principles and goals [here](#).

### **Notice pursuant to Article 4(1)(b) of Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector (the "Sustainable Finance Disclosure Regulation" or "SFDR")**

GPS strives to operate in a sustainable manner and to consider the impacts of its activities on the physical and social environment and on its employees.

However, GPS does not currently consider adverse impacts of its investment decisions on sustainability factors in such manner that it could disclose the principal adverse impacts of its investment decisions on sustainability factors under Article 4 of the SFDR or, for example, the information referred to in Article 4(2) of the SFDR. GPS does not consider the principal adverse sustainability impacts of its investment decisions because the information on its investments is not yet at a sufficient level to enable reporting information on the principal adverse impacts. GPS annually assesses its ability to improve its processes for considering the principal adverse sustainability factors, and its technical capacity to assess, measure and report the principal adverse impacts of investments is continuously monitored. GPS takes the principal adverse sustainability impacts into account in investment advice services by allowing the customer to determine if they wish that the recommendations provided to or investments made for them should include products that take such impacts into account.

Because environmental and sustainability matters are important to GPS and its operations, GPS strives to also promote sustainable business through its personnel incentive system. GPS's remuneration policy is subject to requirements for the remuneration to be consistent with the company's consideration of sustainability risks and that remuneration policies, and practices may not be in conflict with the company's responsibility and sustainability principles. The payment of variable incentives is subject to due compliance with the company's responsibility and sustainability principles.