



PUBLIC TRANSPARENCY REPORT **2025**

LocalTapiola Asset Management Ltd

Generated 24-11-2025

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 2025 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

Legal Context

PRI recognises that the laws and regulations to which signatories are subject differ by jurisdiction. We do not seek or require any signatory to take an action that is not in compliance with applicable laws. All signatory responses should therefore be understood to be subject to and informed by the legal and regulatory context in which the signatory operates.

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 2025 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.

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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 Asset Management Group (LTAMG) was established in January 2022 and the group holding structure consists of four companies with distinct backgrounds and varied histories in sustainable investments. Three of the companies were previously independent signatories to PRI - two of them since 2010 - but now reporting to PRI as one entity.

LocalTapiola Asset Management Ltd (LTAM) is the parent company in the group holding structure and as a legal entity represents the Group. LTAM is an asset manager that takes active views on markets. Our investment decisions are based on in-house analysis of market trends and investee companies. In the 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 sustainability preferences. As we base our investment philosophy on a long-term fundamental investment approach, we believe that systematically integrating sustainability into analysis and active ownership practices in our 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 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 sustainability integration most fully in our stock and credit picking strategies, where sustainability analysis is conducted by PMs simultaneously with traditional fundamental analysis. In our factor-based strategies, we implement sustainability integration by analysing various ESG indicators and utilizing third-party ESG ratings. We implement sustainability integration in our external manager selection process for instance by requiring commitment to the PRI, as well as disclosure of sustainable investing 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 incorporate sustainability analysis into our investment decision-making process. We are an active owner and include the ESG factors in our ownership practices. LTREAM 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. GRESB reporting was adopted 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. The UCITS funds managed by SCO have different approaches and goals for considering sustainability factors and risks. SCO has outsourced the portfolio management of LocalTapiola funds to LTAM. SCO mainly implement active ownership through (proxy) voting.

The third subsidiary is LocalTapiola Alternative Investment Fund Ltd which is an AIF Fund management company. The real estate funds managed by LocalTapiola AIF Fund management are included in the LTREAM reporting.

LocalTapiola Asset Management Group is committed to the Net Zero Asset Managers Initiative. The first interim targets set in 2022 have been reached and new 2030 interim targets put in place in December 2024. 60 % of the AUM is now in scope with the commitment. The real estate assets adhere to the Net Zero Carbon Buildings Commitment.

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 Group's (LTAMG) commitment to the Net Zero Asset Managers Initiative progressed according to our initial 2030 interim targets, and we updated the 2030 targets at year end 2024. We extended the scope to include Seligson & Co equity and corporate fixed income funds so that 60 % of the AuM is now in scope with net zero targets (previously 46%). The target covers direct equity and fixed income investments managed by LTAM and SCO as well as real estate investments managed by LTREAM.

In terms of active ownership at LTAM, the voting activity remained strong, in particular outside of Finland, attending 1,092 AGMs in 26 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. At Seligson & Co Fund Management Company Ltd (SCO), SCO mutual funds attended 524 AGMs outside of Finland during the year, adhering to LTAM's voting policy.

LTAM participated in several collaborative engagements and initiatives relating to systemic sustainability themes such as climate change and biodiversity loss. We continued our collaboration with ISS ESG Engagement Services and participated in their norm-based and four thematic engagements (Net Zero, Biodiversity, Water and Gender Equality). Besides being an endorser of PRI Spring biodiversity initiative, we joined one of the target companies' investor groups as a collaborating investor. We participated the seventh year running in CDP Non-Disclosure Campaign. We continued as a member of TNFD Forum in order to support TNFD adoption and further raise awareness of TNFD within LocalTapiola Asset Management personnel. Our representative participated in the PRI Sustainable Systems Investment Managers Reference Group.

Also, the portfolio managers' ESG integration analytical toolbox was further improved to conduct analysis in accordance with LocalTapiola Asset Management Group's definition of sustainable investment (including DNSH analysis). We primarily utilize third party data for the UN's Sustainable Development Goals (SDGs), assessing the positive impacts the investee companies achieve on all or selected SDGs.

Additionally, a real-time sustainability data monitoring tool was developed to support portfolio management.

At LocalTapiola Real Estate Asset Management (LTREAM), we continued improving our ESG data processes and implemented property-level physical climate risk assessment adaptation measures to properties' long-term plans related to taxonomy assessment. In GRESB-reporting we shifted to fund-level reporting, achieving GRESB-scoring ranging from 2-4 stars for 7 separate funds. We took part in LocalTapiola Insurance Group-level CSRD-reporting and developed our reporting practices accordingly. In the end of the year, we compiled sustainability instructions for property long term plan and tenant modification construction projects. In addition, we started assessing biodiversity impacts and dependencies on portfolio level.

LTAMG's ESG Steering Committee has oversight responsibility for sustainable investing strategies and practices. The Steering Committee determines priorities, approves engagements and decides on escalation methods in any sustainability risk incidences. The ESG Working Group advanced numerous projects on sustainability topics, with a particular focus on enhancing sustainability data processes. The ESG training plan was successfully implemented, offering both online courses and collaborative training sessions for all staff. Topics such as Biodiversity and the EU Sustainable Finance Regulation, along with its various updates, featured prominently in the training programme, with many sessions designated as mandatory for all personnel.

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. We will continue assessing the development in the methodologies and include more detailed forward looking data points to our sustainability analysis toolbox. We will encourage our asset management clients to make net zero commitments and advise them in their target setting processes. In co-operation with our clients, our aim is to gradually increase the scope (now 60% of AUM) towards covering the entire AUM.

Secondly, we aim to contribute to 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. We will continue working on our Biodiversity Roadmap to include new insight and knowledge regarding methodologies, data and data gaps. Our aim is to extend the roadmap to include all asset classes of the Group and develop more granular indicators, processes and targets.

We will also further enhance our sustainable investing product offering across all asset classes and improve our sustainability data architecture as well as disclosure of various sustainability characteristics to meet our clients' increasing needs for sustainable investing solutions and transparent disclosures of those exposures.

Our goal is to strengthen our engagement and active ownership activities, as well as related reporting, concerning systemic sustainability issues that impact global markets and economies. We continue our collaboration with ISS ESG to support our norm-based and thematic engagement activities and to assess other suitable engagement initiatives. 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 (CESGA) programme.

For LTREAM, we have initiated a sustainability program which has targets for the years 2024-2028 on material sustainability themes. We continue implementing the actions planned on this program. In 2025 we are updating the real estate net zero roadmap and continuing work on biodiversity roadmap aiming for property level impact assessments and improvement actions. We will participate in GRESB-reporting with 9 funds. We will be developing sustainability reporting and communication specifically for investors, as well as internal sustainability awareness and education.

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'.

○ **B**

OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS (ORO)

OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS

OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ORO 1	CORE	N/A	N/A	PUBLIC	Other Responsible Investment Reporting Obligations	6

During the reporting year, to which international or regional ESG-related legislation(s) and/or regulation(s) did your organisation report?

- ☒ (A) Corporate Sustainability Reporting Directive (CSRD) [European Union]
- ☒ (B) Directive on AIFM (2011/61/EU) [European Union]
- ☐ (C) Enhancing climate-related disclosures by asset managers, life insurers and FCA-regulated pension providers (PS21/24) [United Kingdom]
- ☒ (D) EU Taxonomy Regulation [European Union]
- ☐ (E) Improving shareholder engagement and increasing transparency around stewardship (PS19/13) [United Kingdom]
- ☐ (F) IORP II (Directive 2016/2341) [European Union]
- ☐ (G) Law on Energy and Climate (Article 29) [France]
- ☒ (H) MiFID II (2017/565) [European Union]
- ☐ (I) Modern Slavery Act [United Kingdom]
- ☐ (J) PEPP Regulation (2019/1238) [European Union]
- ☐ (K) PRIIPS Regulation (2016/2340 and 2014/286) [European Union]
- ☐ (L) Regulation on the Integration of Sustainability Risks in the Governance of Insurance and Reinsurance Undertakings (2021/1256) [European Union]
- ☒ (M) SFDR Regulation (2019/2088) [European Union]
- ☒ (N) SRD II (Directive 2017/828) [European Union]
- ☐ (O) The Occupational Pension Schemes Regulation on Climate Change Governance and Reporting [United Kingdom]
- ☐ (P) Climate Risk Management (Guideline B-15) [Canada]
- ☐ (Q) Continuous Disclosure Obligations (National Instrument 51-102) [Canada]
- ☐ (R) Disposiciones de Carácter General Aplicables a los Fondos de Inversión y a las Personas que les Prestan Servicios (SIEFORE) [Mexico]
- ☐ (S) Instrucciones para la Integración de Datores ASG en Los Mecanismos de Revelación de Información para FIC (External Circular 005, updated) [Colombia]
- ☐ (T) Provides for the creation, operation, and disclosure of information of investment funds, as well as the provision of services for the funds, and revokes the regulations that specifies (CVM Resolution No. 175) [Brazil]
- ☐ (U) SEC Expansion of the Names Rule [United States of America]
- ☐ (V) SEC Pay Ratio Disclosure Rule [United States of America]
- ☐ (W) ASIC RG65 Section 1013DA Disclosure Guidelines [Australia]
- ☐ (X) Circular to Licensed Corporations: Management and Disclosure of Climate-related Risks by Fund Managers [Hong Kong SAR]
- ☐ (Y) Financial Investment Services and Capital Markets Act (FSCMA) [Republic of Korea]
- ☐ (Z) Financial Instruments and Exchange Act (FIEA) [Japan]
- ☐ (AA) Financial Markets Conduct Act [New Zealand]
- ☐ (AB) Guiding Opinions on Regulating the Asset Management Business of Financial Institutions [China]
- ☐ (AC) Guidelines on Environmental Risk Management for Asset Managers [Singapore]
- ☐ (AD) Guidelines on Sustainable and Responsible Investment Funds [Malaysia]
- ☐ (AE) Modern Slavery Act (2018) [Australia]

- ☐ (AF) Stewardship Code for all Mutual Funds and All Categories of AIFs [India]
- ☐ (AG) ADGM Sustainable Finance Regulatory Framework [United Arab Emirates]
- ☐ (AH) JSE Limited Listings Requirements [South Africa]
- ☐ (AI) Other
- ☐ (AJ) Other
- ☐ (AK) Other
- ☐ (AL) Other
- ☐ (AM) Other
- ☐ (AN) Not applicable; our organisation did not report to any ESG-related legislation and/or regulation during the reporting year.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ORO 2	CORE	N/A	N/A	PUBLIC	Other Responsible Investment Reporting Obligations	6

During the reporting year, to which voluntary responsible investment/ESG frameworks did your organisation report?

- ☐ (A) Asset Owners Stewardship Code [Australia]
- ☐ (B) Código Brasileiro de Stewardship [Brazil]
- ☐ (C) New Zealand Stewardship Code
- ☐ (D) Principles for Responsible Institutional Investors (Stewardship Code) [Japan]
- ☐ (E) Stewardship Code [United Kingdom]
- ☐ (F) Stewardship Framework for Institutional Investors [United States of America]
- ☐ (G) CFA Institute ESG Disclosure Standards for Investment Products [Global]
- ☐ (H) Guidelines on Funds' Names using ESG or Sustainability-related Terms [European Union]
- ☐ (I) Luxflag ESG Label [Luxembourg]
- ☐ (J) RIAA Responsible Investment Certification Program [Australia]
- ☐ (K) SRI Label [France]
- ☐ (L) ANBIMA Code of Regulation and Best Practices of Investment Funds [Brazil]
- ☐ (M) Code for Institutional Investors 2022 [Malaysia]
- ☐ (N) Code for Responsible Investing in South Africa (CRISA 2) [South Africa]
- ☐ (O) Corporate Governance Guidelines [Canada]
- ☐ (P) Defined Contribution Code of Practice [United Kingdom]
- ☐ (Q) European Association for Investors in Non-Listed Real Estate Vehicles (INREV) Guidelines [Global]
- ☒ (R) **Global ESG Benchmark for Real Assets (GRESB) [Global]**
- ☐ (S) Global Impact Investing Network (GIIN) Impact Reporting and Investment Standards (IRIS+) [Global]
- ☐ (T) OECD Guidelines for MNEs - Responsible Business Conduct for Institutional Investors [Global]
- ☐ (U) UN Guiding Principles (UNGP) on Business and Human Rights [Global]
- ☒ (V) **Net Zero Asset Managers (NZAM) Initiative [Global]**
- ☐ (W) Net-Zero Asset Owner Alliance (NZAOA) [Global]
- ☐ (X) Recommendations of the Taskforce for Climate-related Financial Disclosure (TCFD) [Global]
- ☐ (Y) The Net Zero Investment Framework (NZIF) 2.0 [Global]
- ☐ (Z) Recommendations of the Taskforce for Nature-related Financial Disclosure (TNFD) [Global]
- ☐ (AA) Global Reporting Initiative (GRI) Standards [Global]
- ☐ (AB) IFC Performance Standard [Global]
- ☐ (AC) International Sustainability Standards Board (ISSB) Standards [Global]
- ☐ (AD) Sustainability Accounting Standards Board (SASB) Standards [Global]
- ☐ (AE) Other
- ☐ (AF) Other
- ☐ (AG) Other
- ☐ (AH) Other
- ☐ (AI) Other
- ☐ (AJ) Not applicable; our organisation did not report to any voluntary responsible investment/ESG frameworks during the reporting year.