

Sustainability-related disclosures

Article 10 Transparency of the promotion of environmental or social characteristics and of sustainable investments on websites

1. Financial market participants shall publish and maintain on their websites the following information for each financial product referred to in Article 8(1) and Article 9(1), (2) and (3):

- (a) a description of the environmental or social characteristics or the sustainable investment objective.
- (b) information on the methodologies used to assess, measure, and monitor the environmental or social characteristics or the impact of the sustainable investments selected for the financial product, including its data sources, screening criteria for the underlying assets and the relevant sustainability indicators used to measure the environmental or social characteristics or the overall sustainable impact of the financial product.
- (c) the information referred to in Articles 8 and 9;
- (d) the information referred to in Article 11.

The information to be disclosed pursuant to the first subparagraph shall be clear, succinct, and understandable to investors. It shall be published in a way that is accurate, fair, clear, not misleading, simple, and concise and in a prominent, easily accessible area of the website.

1.11.2023

Update according to the reclassification of the financial product Fondita Healthcare to article 9.

19.8.2024

Update according to the change in the investment universe of the financial product Sustainable World.

3.3.2025

The latest update concerns making the 'Sustainability-related disclosures' fund specific. The specification has been completed by adding each relevant financial product, which disclosure concerns, under relevant headings.

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Summary

The disclosures are a summary of Fondita Fund Management Company's fund products. The disclosure is divided according to the financial product categories Article 8 and Article 9, and under each article we have specified which funds the disclosure concerns. Fondita discloses this information in one document to provide the investor with the option to compare our fund portfolio with each other, while providing fund specific information. Below is a summary of all our funds.

Fund	Article	Exclusion	PAI	Sustainable Investment	Environmental and social characteristics
Fondita European Micro Cap	8	Yes	Yes	40%*	80%
Fondita Global Small Cap	8	Yes	Yes	40%*	80%
Fondita Finland Micro Cap	8	Yes	Yes	40%*	80%
Fondita Global Megatrends	8	Yes	Yes	40%*	80%
Fondita Nordic Small Cap	8	Yes	Yes	40%*	80%
Fondita Nordic Micro Cap	8	Yes	Yes	40%*	80%
Fondita Healthcare	9	Yes	Yes	90%	
Fondita Sustainable World	9	Yes	Yes	90%	

Individual funds have separate investment strategies according to the financial product investment universe, which can be reviewed in the [Fondita prospectus](#). Information about our Responsible Investment Policy, Exclusion criteria, PAI reports, and other relevant documents can be found on the webpage <https://fondita.fi/en/reports-and-documents/>

* The financial products promote 80% Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 40 % of sustainable investments

Article 8

Article 8 financial products promote environmental and social characteristics, including good governance practices. Fondita has six funds classified as Article 8; **Fondita European Micro Cap, Fondita Finland Micro Cap, Fondita Global Megatrends, Fondita Global Small Cap, Fondita Nordic Micro Cap and Fondita Nordic Small Cap**. The sustainability related disclosures in our article 8 funds are aligned, except regarding investment strategies where the financial product have been separated per product, and limitations to methodologies and data, where Fondita article 8 funds are divided into two groups in regards of sustainability related disclosures.

No sustainable investment objective

Fondita European Micro Cap, Fondita Finland Micro Cap, Fondita Global Megatrends, Fondita Global Small Cap, Fondita Nordic Micro Cap and Fondita Nordic Small Cap.

The financial products does not have sustainable investments as it's objective. However, the financial product has a minimum proportion of 40% of sustainable investments. The financial products promotes environmental and social characteristics, including good governance.

Environmental and social characteristics of the financial product

Fondita European Micro Cap, Fondita Finland Micro Cap, Fondita Global Megatrends, Fondita Global Small Cap, Fondita Nordic Micro Cap and Fondita Nordic Small Cap.

The financial product's main environmental objective is to promote climate change mitigation and social objective is to promote equality including safeguarding fundamental human rights.

Fondita has defined the main criteria for promoting climate change is that the holding should have a carbon reduction target or/and strategy in place.

In terms of promoting equality and diversity, the company should have an equality and/or diversity policy in place.

All companies are to follow good governance practices.

The holdings cannot have violations against the Fondita exclusion list, which includes international norms screening of UN Global Compact, OECD guidelines for multinational enterprises or the EU Taxonomy "Do No Significant Harm". These international norms and standards consider what Fondita considers as fundamental environmental, social and governance aspects which serves as a minimum requirement. A screen is conducted monthly against all of Fondita's exclusion criteria and if a company is found in violation, a escalation process is conducted which, if verified through dialogue with the company, ultimately results in selling the company from our fund.

Investment strategy

Fondita European Micro Cap

Fondita's financial products are equity funds with a stock picking strategy. Fondita European Micro Cap is an equity fund that invests in a limited number of small European quality companies with a market capitalisation of up to EUR 800 million. The fund has a concentrated portfolio and invests in companies in the long term, where growth is primarily driven by structural drivers and societal changes.

Individual financial products have specific investment strategies according to the financial products investment universe specified in the KIID and prospectus. Fondita incorporates ESG assessments into all investment processes across the financial products and monitors monthly the progress of each financial product's individual sustainability targets.

Fondita Finland Micro Cap

Fondita Finland Micro Cap is an equity fund that invests in smaller Finnish-listed companies with a market capitalisation of less than EUR 800 million.

Fondita's financial products are equity funds with a stock picking strategy. Individual financial products have specific investment strategies according to the financial products investment universe specified in the KIID and prospectus. Fondita incorporates ESG assessments into all investment processes across the financial products and monitors monthly the progress of each financial product's individual sustainability targets.

Fondita Global Megatrends

Fondita Global Megatrends is an actively managed thematic global equity fund that invests in shares of publicly traded companies that are well positioned towards three topical megatrends: Climate change, Demographic change and Technological development.

Fondita's financial products are equity funds with a stock picking strategy. Individual financial products have specific investment strategies according to the financial products investment universe specified in the KIID and prospectus. Fondita incorporates ESG assessments into all investment processes across the financial products and monitors monthly the progress of each financial product's individual sustainability targets.

Fondita Global Small Cap

Fondita Global Small Cap is an actively managed equity fund that invests in a limited number of quality companies, whose market capitalization is mainly between EUR 1 billion and EUR 10 billion.

Fondita's financial products are equity funds with a stock picking strategy. Individual financial products have specific investment strategies according to the financial products investment universe specified in the KIID and prospectus. Fondita incorporates ESG assessments into all investment processes across the financial products and monitors monthly the progress of each financial product's individual sustainability targets.

Fondita Nordic Micro Cap

Fondita Nordic Micro Cap is an equity fund investing in small Nordic quality companies with a market capitalisation of up to EUR 800 million.

Fondita's financial products are equity funds with a stock picking strategy. Individual financial products have specific investment strategies according to the financial products investment universe specified in the KIID and prospectus. Fondita incorporates ESG assessments into all investment processes across the financial products and monitors monthly the progress of each financial product's individual sustainability targets.

Fondita Nordic Small Cap

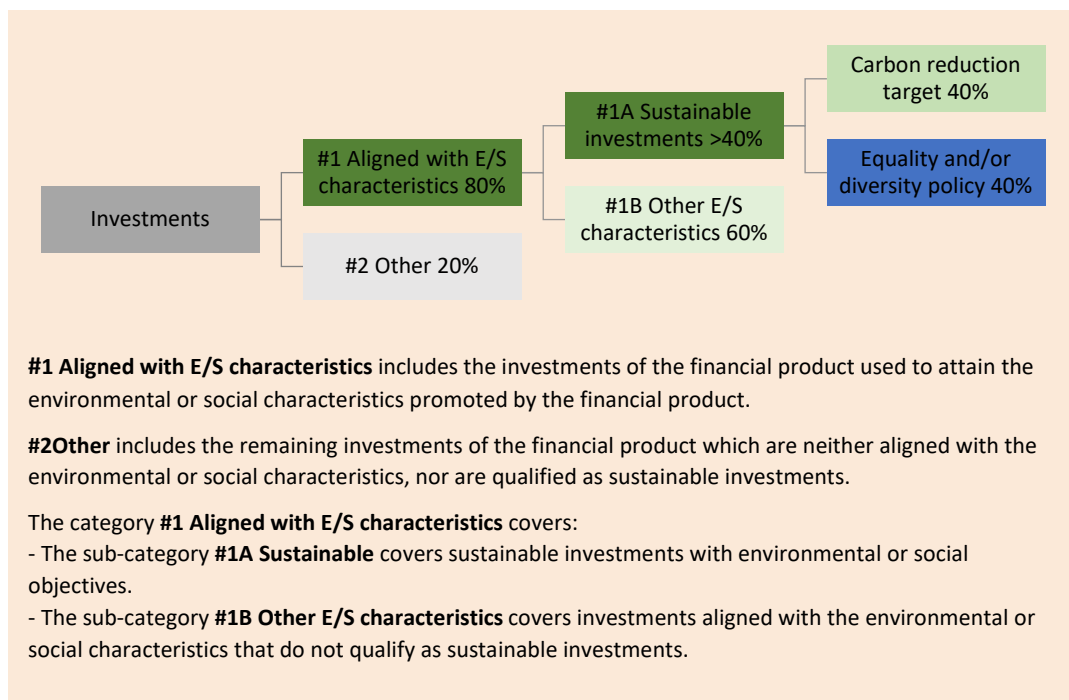
Fondita Nordic Small Cap is an equity fund that invests in Nordic small and medium-sized quality companies with a market capitalisation of up to EUR 3 billion.

Fondita's financial products are equity funds with a stock picking strategy. Individual financial products have specific investment strategies according to the financial products investment universe specified in the KIID and prospectus. Fondita incorporates ESG assessments into all investment processes across the financial products and monitors monthly the progress of each financial product's individual sustainability targets.

Proportion of investments

Fondita European Micro Cap, Fondita Finland Micro Cap, Fondita Global Megatrends, Fondita Global Small Cap, Fondita Nordic Micro Cap and Fondita Nordic Small Cap.

The investments asset allocation (excluding cash management, as cash is not considered as investments) is 80% towards #1 Aligned with E/S characteristics and 20% towards #2 Other. Out of the allocation towards #1 Aligned with E/S characteristics, #1B 60% is to promote other E/S characteristics according to previously mentioned indicators. The other #1A 40% is towards a minimum proportion of sustainable investments, which requires at least 40% of the holdings to have a carbon reduction target and 40% of the holdings to have an equality and/or diversity policy implemented. The table below is a direct reference to the financial products SFDR annexes.



Monitoring of environmental and social characteristics

Fondita European Micro Cap, Fondita Finland Micro Cap, Fondita Global Megatrends, Fondita Global Small Cap, Fondita Nordic Micro Cap and Fondita Nordic Small Cap.

The monitoring of our article 8 funds is performed according to internal policy. The main screening tools are based on MSCI research and manual ESG assessments.

The carbon reduction targets, and diversity and equality policies implemented by our holdings are updated daily according to the current holdings of the financial products. The same applies to our ESG assessments, in which we keep a timely record of all company level ESG assessments, including alignment towards SDGs, which are reported in the financial products quarterly ESG report. We conduct monthly screenings of our holdings towards violations of UN Global Compact, OECD guidelines for multinational enterprises or the EU Taxonomy “Do No Significant Harm” principle and the Fondita excluded sectors according to our exclusion list.

Methodologies

Fondita European Micro Cap, Fondita Finland Micro Cap, Fondita Global Megatrends, Fondita Global Small Cap, Fondita Nordic Micro Cap and Fondita Nordic Small Cap.

The attainment of the environmental and/or social characteristics promoted by the financial product is conducted by the following methodologies:

Before investment decision

- 1) screening towards Fondita's exclusion criteria, international norms, SDGs and PAI indicators
- 2) screening in MSCI towards relevant environmental and social targets which are promoted by the funds
- 3) conducting ESG assessments according to our internal ESG assessment methodology with a focus on climate change mitigation and equality & diversity

After investment decision

- 4) engagement with target companies according to engagement policy
- 5) screening towards Fondita's exclusion criteria, international norms and PAI indicators monthly
- 6) quarterly ESG reporting for each fund, including carbon emissions development, SDGs and sustainability indicators development of the financial product

Data sources and processes

Fondita European Micro Cap, Fondita Finland Micro Cap, Fondita Global Megatrends, Fondita Global Small Cap, Fondita Nordic Micro Cap and Fondita Nordic Small Cap.

Fondita uses MSCI's ESG and Bloomberg as our main source of sustainability related data. MSCI and Bloomberg are both accredited data providers of financial and ESG related data. MSCI and Bloomberg both have internal analysts verifying the data and assessment processes used. Both data providers can transparently show the procurement process of the data (such as reported and estimated data, including relevant sources) which in turn gives us the ability to be certain about the quality of the data we are using. At this moment, we avoid using estimated data as we have identified methodologies based on revenue, sector and other general terms to provide large error margins which is unacceptable in our qualitative and quantitative approach. In case our reporting contains estimated data, it's thoroughly documented.

Fondita's ESG controller performs regular controls on how data is procured and used by the operations to ensure the quality of the assessment process. We conduct a control annually among other data providers, to ensure we are using the best available data available in the market.

Limitations to methodologies and data

Due to differences in limitations regarding data availability this section is divided into two separate groups in our article 8 funds. We have not identified limitations in our methodology.

Fondita Global Megatrends, Fondita Global Small Cap and Fondita Nordic Small Cap

Fondita Global Megatrends, Fondita Global Small Cap and Nordic Small Cap have over 90% coverage of data in MSCI and Bloomberg. The remaining holdings which are not covered are manually ESG assessed with a focus on the environmental objective and social objective of the article 8 funds, PAI indicators and other relevant factors.

Fondita European Micro Cap, Fondita Finland Micro Cap and Fondita Nordic Micro Cap

Our Micro Cap funds have limited data availability in MSCI and Bloomberg regarding ESG data with an approximately 50% coverage. However, we have concluded MSCI and Bloomberg still provide the best coverage of ESG related data, without relying on estimates which have extensive error margins. We increase the coverage of our Micro Cap funds by conducting manual ESG assessments with a focus on the environmental objective and social objective of the Article 8 funds, PAI indicators and other relevant factors which we are required by regulation to be able to cover to the best effort basis. We send out questionnaires to the holders which do not publish the data or cannot be found in the third-party databases related to PAI indicators and Fondita's screening criteria.

Due Dilligence

Fondita European Micro Cap, Fondita Finland Micro Cap, Fondita Global Megatrends, Fondita Global Small Cap, Fondita Nordic Micro Cap and Fondita Nordic Small Cap.

We monitor all our investments regularly to ensure that our sustainability commitments are achieved. Investments are analyzed before investment decisions and regularly monitored during the investment period.

Engagement policies

Fondita European Micro Cap, Fondita Finland Micro Cap, Fondita Global Megatrends, Fondita Global Small Cap, Fondita Nordic Micro Cap and Fondita Nordic Small Cap.

The engagement policy is not part of the investment strategy of the funds. However we engage with our holdings in Fondita according to our [engagement policy](#). We reach out to holdings which do not yet have a carbon reduction target or/and a equality & diversity policy implemented. We take the discussion why these targets are important for us and our investors. In this way, we also improve our sustainability targets, and we can have a positive net-effect on our holdings business operations. The efforts and results of the engagements will be reported in our Annual Review of Responsible Investments.

Index

Fondita European Micro Cap, Fondita Finland Micro Cap, Fondita Global Megatrends, Fondita Global Small Cap, Fondita Nordic Micro Cap and Fondita Nordic Small Cap.

The financial products do not have an official reference index.

Article 9

Article 9 financial products have sustainable investments as the investment objective. Fondita has two Article 9 funds, **Fondita Sustainable World and Fondita Healthcare**.

No significant harm to the sustainable investment objective

Fondita Sustainable World and Fondita Healthcare

The financial products are screened towards EU Taxonomy principle “do no significant harm” monthly in MSCI. In case a company is found violating we contact the company to verify and discuss the possible violation, and if concluded the holding is sold. The process is documented in our escalation documentation. Furthermore, PAI indicators are monitored monthly to ensure poor performers are taken into account and potentially leads to actions in the financial product.

Sustainable investment objective of the financial product

Fondita has two article 9 funds a) **Fondita Healthcare** and b) **Fondita Sustainable World**. Sustainable investment objective for the financial products is the following:

a) **Fondita Healthcare**

Sustainability indicators, to measure how the fund’s holdings aim at ensuring healthy lives and promote well-being for all, regardless of age (SDG 3) and help achieve gender equality and empower women (SDG 5), are the following:

1) At least 90 % of the investments are made in companies that address and prevent current and unmet medical needs. This is done by investing in companies active in innovation, production and distribution of medicines and healthcare equipment, tools and supplies as well as diagnostics- and healthcare services.

- 2) At least 80 % of holdings have a strategy or policy for increased access to medicine or healthcare
 - a. A proprietary framework based on the Access to Medicine index for pharma companies and an internal qualitative framework for other subsectors in the Healthcare sector is applied.
- 3) Diversity, Equality & Inclusion
 - a. At least 75 % of the holdings have a minimum 50 % share of female to male ratio in board composition.
 - b. At least 50 % of holdings have a stated anti-discrimination policy and/or diversity policy.
- 4) Social and environmental responsibility
 - a. At least 75 % have a stated CO2 reduction target.
 - b. All holdings are required to comply with EU Taxonomy DNSH principle.
- 5) All holdings follow good governance practices.

b) **Fondita Sustainable World**

The sustainable investment objective is to only invest in companies that provide a climate and environmentally smart product and/or service.

- 1) At least 90% of the holdings need to score TRUE towards MSCI's "Exposure to Environmental Solutions". The datapoint considers companies which derive revenue streams from products or services which assists in solving the world's most relevant environmental issues, while not causing negative externalities associated with their operations. Negative externalities consider ESG ratings below BB, direct involvement in predator lending and controversies.

We track the proportion of carbon reduction targets and diversity and equality policies in our holdings, as they are important sustainability indicators for Fondita on a company level. We pay special attention to these indicators in the company-level assessment process.

Investment strategy

Fondita Sustainable World

Fondita Sustainable World is an equity fund that invests in companies with climate-smart and eco-friendly products or services with a global investment universe.

Fondita's financial products are equity funds with a stock picking strategy. Individual financial products have specific investment strategies according to the financial products investment universe specified in the KID and prospectus. Fondita incorporates ESG assessments into all investment processes across the financial products and monitors monthly the progress of each financial product's individual sustainability targets.

Fondita Healthcare

The fund invests in companies that address current and unmet medical needs and provide access to medicine and medical care. This is achieved by investing in companies active in innovation, production and distribution of medicines and healthcare equipment, tools and supplies as well as diagnostics and healthcare services. Operationally, the companies are to act in a socially and environmentally responsible way.

Fondita's financial products are equity funds with a stock picking strategy. Individual financial products have specific investment strategies according to the financial products investment universe specified in the KID and prospectus. Fondita incorporates ESG assessments into all investment processes across the financial products and monitors monthly the progress of each financial product's individual sustainability targets.

Proportion of investments

The proportion of sustainable investments in our article 9 products is the following:

- a) **Fondita Healthcare**, 190%% sustainable investments
- b) **Fondita Sustainable World**, 90%% sustainable investments

The remaining 10% is reserved for “Other” investments. The financial products purpose for investment under “Other” is investments which does not contribute to the minimum proportion of sustainable investments. The minimum environmental and social safeguards for the allocation towards “#2 Other” is the screening criteria according to Fondita’s previously mentioned exclusion list which is applied to all holdings of the financial product including the investments under “#2 Other”. The exclusion list includes exclusion of certain controversial sectors as well as breaches towards certain international norms. More information about the exclusion list on the webpage <https://fondita.fi/en/reports-and-documents/>.

Monitoring of environmental and social characteristics

Fondita Sustainable World and Fondita Healthcare

The monitoring of our article 9 funds is performed according to internal policy. The main screening tools are based on MSCI research and manual ESG assessments.

The relevant sustainable investment targets are monitored and updated on a daily basis. The same applies to our ESG assessments, in which we keep a timely record of all ESG assessments. We conduct monthly screenings of our holdings towards violations of UN Global Compact, OECD guidelines for multinational enterprises or the EU Taxonomy “Do No Significant Harm” principle and the Fondita excluded sectors according to our exclusion list.

Methodologies

Fondita Sustainable World and Fondita Healthcare

The attainment of the environmental and/or social sustainable investments are conducted by the following methodologies

Before investment decision

- 1) screening towards Fondita’s exclusion criteria, international norms, SDGs and PAI indicators
- 2) screening in MSCI towards relevant environmental and social targets which are promoted by the funds
- 3) conducting ESG assessments according to our internal ESG assessment methodology

After investment decision

- 4) engagement with target companies according to engagement policy
- 5) screening towards Fondita’s exclusion criteria, international norms and PAI indicators monthly
- 6) quarterly ESG reporting for each fund, including carbon emissions development, SDGs and sustainability indicators development of the financial product

Data sources and processes

Fondita Sustainable World and Fondita Healthcare

Fondita uses MSCI’s ESG and Bloomberg as our main source of sustainability related data. MSCI and Bloomberg are both accredited data providers of financial and ESG related data. Both data providers can transparency show the procurement process of the data (such as reported and estimated data, including relevant sources) which in turn gives us the ability to be certain about the quality of the data we are using. At this moment, we avoid using estimated data as we have identified methodologies based on revenue, sector and other general terms to provide large error margins which is unacceptable in our qualitative and quantitative approach. In case our reporting contains estimated data, it’s thoroughly documented.

Fondita's ESG controller performs regular controls on how data is procured and used by the operations to ensure the quality of the assessment process. We conduct a control annually among other data providers, to ensure we are using the best available data available in the market.

Limitations to methodologies and data

Fondita Sustainable World and Fondita Healthcare

Our Article 9 funds have over 90% coverage in MSCI and Bloomberg. The remaining holdings which are not covered are manually ESG assessed with a focus on sustainable investment objective of the fund, PAI indicators and other relevant factors.

Due Dilligence

Fondita Sustainable World and Fondita Healthcare

We monitor all our investments regularly to ensure that our sustainability commitments are achieved. Investments are analyzed before investment decisions and regularly monitored during the investment period.

Engagement policies

Fondita Sustainable World and Fondita Healthcare

The engagement policy is not part of the investment strategy of the funds. However we engage with our holdings in Fondita according to our [engagement policy](#). We reach out to holdings which do not yet have a carbon reduction target or/and a equality & diversity policy implemented. We take the discussion why these sustainability targets are important for us and our investors. In this way, we will also improve our sustainability targets while making a positive contribution to our holdings sustainable business operations. The efforts and results of the engagements will be reported in our Annual Review of Responsible Investments.

Attainment of the sustainable investment objective

Fondita Sustainable World and Fondita Healthcare

The financial products does not have an official reference index.

The attainment of the sustainable investment objective is monitored daily, through MSCI and manual assessment according to the sustainable investment objective of both financial products presented previously. The investment objective is reported in the SFDR periodic report of the financial product which is available in the annual report of each financial product on the webpage.