



Responsible Investments Report 2025

Advertising for professional investors only

Any investment decision in the sub-funds should be made on the basis of the current prospectus and the Key Information Document (KID) or the Key Investor Information Document (KIID) for UK investors.

Contents

Facing Forward	3
• ESG highlights	5
2025 at a glance	5
ESG highlights of the year	6
ESG Awards	7
Active in the global RI Community	8
New investor initiatives 2025	10
Sustainability at Nordea Group	12
• Responsible Investment approach	13
ESG Governance and Teams	13
Responsible Investment framework	16
Responsible Investment Strategies at NAM	17
• Stewardship	21
Engagement	22
Voting	23
Stewardship Activities	24
Focus on Methane Engagement	26
• ESG Focus Areas	28
Climate	28
Biodiversity	31
Human Rights	33
Good Governance	36
Outlook 2026	39



Nordea

Nordea is the largest financial services group in the Nordic region (approx. 10 million personal customers and 600,000 corporate customers)¹ and one of the biggest banks in Europe. We want to make a real difference – for our customers and for the communities in which we operate – by sharing our extensive expertise based on 200 years in the banking business.

About Nordea Asset Management²

Nordea Asset Management (NAM) is part of the Nordea Group. We are an active asset manager with a global business model, offering services to institutional clients in Europe, the Americas and Asia. We manage investments across the full spectrum of asset classes. Active ownership activities in investee companies are done on behalf of our unit holders³ and clients.³ Our third-party distribution franchise services a wide range of international fund distributors, including many of the leading global wealth managers. We distribute our products through banks, asset managers, independent financial advisors, insurance companies and family offices. Our client base is equally split between Nordea Group-related and external clients. With EUR 325bn (31 December 2025) in assets under management, we have been experiencing strong growth over the past decade.

1) As at 31.12.2025. 2) Nordea Asset Management is the functional name of the asset management business conducted by the legal entities Nordea Investment Funds S.A., Nordea Investment Management AB, and Nordea Funds Ltd and their branches and subsidiaries. Nordea Investment Funds S.A. is the management company and Nordea Investment Management AB is the investment manager of all funds belonging to NAM. 3) On behalf of the unitholders of Nordea Funds Ltd and Nordea Investment Funds S.A.

Reference to companies or other investments mentioned should not be construed as a recommendation to the investor to buy or sell the same but is included for the purpose of illustration.

Facing forward

A Year of Resilience and Responsibility



The past year tested the resolve of the global sustainable investment community, with some scaling back their net-zero and sustainability efforts amid market and regulatory pressures. By staying true to our principles, NAM turned these challenges into opportunities, driving sustainable growth, deepening client trust and reaping rewards.

By year-end 2025, our ESG assets – comprising Article 8 and 9 funds under the EU's Sustainable Finance Disclosure Regulation – reached approximately €240 billion, representing over 70% of our total AuM. This reflects our firm-wide dedication to responsible investing and reflects our clients' continued demand for sustainable financial products.

Last year, NAM won nearly €7 billion in new sustainability-focused mandates, demonstrating the trust our clients place in our ability to integrate sustainability considerations into robust investment strategies – as well as their commitment to decarbonisation and responsible investment.

We are especially proud of our sustainability-focused BetaPlus strategies. In June 2025, we expanded the range with the launch of our first BetaPlus Active ETFs, giving investors a new, flexible way to access this long-standing approach. By year-end, the BetaPlus Active ETF range had surpassed €3 billion in

AUM, with the BetaPlus Enhanced Global Sustainable Equity UCITS ETF becoming Europe's largest sustainable active ETF just six months after launch, exceeding €2 billion. This rapid success highlights strong client demand and reflects the strategy's ability to deliver consistent alpha⁴, robust risk management, and sustainability at its core.

With this momentum behind us, we achieved meaningful impact through the 1391 engagements we participated last year. Our efforts were recognized independently, reflecting our commitment to sustainability and responsible investing. Notable highlights include the [Sustainable Investment Awards](#), where Nordea 1 – Global Climate and Environment Fund was named Environmental Fund of the Year and Nordea 1 – Global Diversity Engagement Fund Social Fund of the Year; and the [ICGN Global Stewardship Disclosure Award](#) for NAM's UK Stewardship Code.

4) There can be no warranty that an investment objective, targeted returns and results of an investment structure is achieved. The value of your investment can go up and down, and you could lose some or all of your invested money.

We actively collaborate with prominent organizations to drive sustainable investment, including the ShareAction Chemicals Working Group, which engages European chemical companies to accelerate climate alignment with 1.5°C pathways through targeted, research-backed investor actions, and the Plastics Solutions Investor Alliance, which addresses corporate risks from plastic pollution while advancing multiple UN Sustainable Development Goals. We also partnered with The China Climate Engagement Initiative (CCEI), promoting green, low-carbon transitions in Chinese companies by leveraging institutional investors to foster deeper dialogue with industries.

As we move forward, NAM remains committed to delivering investment strategies that generate strong financial returns while creating positive societal and environmental impact⁵.

Central to this approach is the principle that responsible investing isn't just about promoting accountability and mitigating risks; it is also about seizing the opportunities presented by the global transition to a more sustainable economy.

We invite you to explore this report, which details our achievements, strategies, and outlook in responsible investing. Thank you for your continued trust and partnership as we work together towards a more sustainable financial future.



Nils Bolmstrand,
CEO of Nordea Asset Management

⁵) There can be no warranty that an investment objective, targeted returns and results of an investment structure is achieved. The value of your investment can go up and down, and you could lose some or all of your invested money.

2025 at a glance

ESG Offering

Assets under Management

€ 325 bn
total AuM

74%
In RI solutions

Products

260
Art. 8 funds⁶

12
Art. 9 funds⁶

New reports in 2025

4
Thematic Reports

19
ESG Reports

ESG Capabilities

ESG Resources

25
Dedicated ESG analysts⁷

4
Governance Committees

Engaged⁸

1391
Engagements

50% Climate
19% Biodiversity
12% Human Rights
19% Good Governance

Voted

~3400
General meetings in 2025

ESG Leadership

Initiatives

36
International investor
initiatives

Awards⁹

4
ESG Awards won

9
ESG Awards shortlisted

Labels¹⁰

2
European ESG labels

Net Zero Targets

By 2025

80%
of Top 200 contributors to
financed emissions to be Paris-
aligned or engaged to become so

Phase out investments in coal-
related companies without plans
to achieve a full exit from coal by

2040

By 2030

100%
of Top 200 contributors to
financed emissions to be
Paris-aligned or engaged to
become so

By 2050

Net zero emissions across
all assets under
management

6) According to European SFDR classification, see page 51. 7) Data as of 31.12.2025. 8) Climate, Biodiversity, Human Rights, Good Governance categorizations are not mutually exclusive. For analytical purposes, we count such instances separately under each applicable category. The resulting figures are then normalized to represent proportions of total engagements. 9) More information on ESG awards on page 7. 10) More information on labels on page 20.



ESG highlights of the year

In 2025, we remained focused on reinforcing our ESG credentials and capabilities. We continued to drive real-world decarbonization through our climate strategies and proprietary tools.

Playing our part in real world decarbonisation

Investors increasingly recognize climate change as a global crisis threatening the environment, society and economy. The last few years we have seen important steps towards adopting climate policies with a positive impact on achieving net zero emissions targets by 2050. At Nordea Asset Management, we do not believe net zero can be achieved purely through avoidance and exclusion. Climate has been a strategic focus for us since becoming a signatory to the UN-supported Principles for Responsible Investment (PRI) in 2007.

Our proprietary Forward Decarbonization Tool is now available across our investment boutiques. The tool provides a forward-looking view of companies' potential decarbonization trajectories, supporting portfolio managers in making informed allocation and engagement decisions aligned with strategy-specific climate objectives. Our commitment to climate action was further recognized in late 2024 with our Methane Engagement Campaign receiving the 'Recognition for Action – Climate' award at the [PRI Awards](#) ceremony in Toronto, Canada.

Expanding our capabilities

In 2025, we expanded our Sustainable Thematic offering and launched two Article 9¹¹ funds: Nordea 1 – European High Yield Sustainable Climate Bond Fund and Nordea 2 – Global Edge Sustainable Equity Fund. These funds support asset allocators in building sustainable fixed income and multi-asset portfolios and demonstrate NAM's continued ESG innovation.

In 2025, we strengthened our deforestation screening by integrating AI-driven analysis into our assessment process. After identifying companies exposed to deforestation-risk commodities through third-party ESG and open-source data,

we deployed a custom AI tool aligned with the Accountability Framework Initiative Core Principles to assess the robustness of company policies. This allowed us to move beyond binary assessments and evaluate key elements such as commitments to eliminate deforestation, cut-off dates, and alignment with frameworks including SBTi FLAG. The enhanced approach provides more granular insights to inform stewardship priorities, while we continue to assess its consistency and scalability.

Maintaining our ESG credentials

With more than 35 years of experience in sustainable investing, we continue to earn recognition. In 2025, we ranked 5th among global asset managers in the [RIBI](#) ESG Brand Report, demonstrating our commitment to responsible investing and sustainable development. Additionally, our Nordea 1 – Global Climate and Environment Fund won "Environmental Fund of the year" and our Nordea 1 – Global Diversity Engagement Fund won "Social Fund of the year" at the [Sustainable Investment Awards 2025](#).

Our credentials extend to international ESG labels and in 2025¹², selected funds secured the Label ISR and Towards Sustainability labels, recognising the strength of our ESG products. We maintained our UK Stewardship Code signatory status, meeting the highest disclosure and reporting standards in the UK. In 2025, our latest UK Stewardship Code report received the [2025 ICGN Global Stewardship Disclosure Award](#). On top of this, all our funds received ESG4Real certification¹³, confirming compliance with baseline responsible investment requirements, including exclusions, norms, conventions, ESG criteria and engagement standards. Additionally, some funds obtained [Nummus Ethics Certification](#), aligning with CEI's ethical guidelines.

11) According to European SFDR classification, see page 51. 12) More information on ESG labels can be found in page 20. 13) ESG4Real is an independent label certifying the credibility and transparency of ESG and impact investment approaches. More information: <https://www.esg4real.org>.

ESG Awards*

At Nordea Asset Management, we are proud to report a very important year in 2025 for our responsible investing efforts. Our commitment to ESG principles has earned us significant global recognition.

Nordea Asset Management Awards

In 2025, NAM won ICGN Global Stewardship Disclosure Award for NAM’s UK Stewardship Code reporting, recognising our commitment to transparency and high-quality stewardship practices.

In addition, in 2025 NAM was recognised by the **Responsible Investment Brand Index (RIBI)** as the "1st best asset manager in Scandinavia" and the "5th best asset manager globally", out of a universe of 600 asset managers assessed worldwide.



Fund Awards

In 2025 our Global Climate Environment Fund was awarded as “Environmental Fund of the year” and our Global Diversity Engagement Fund was awarded as “Social Fund of the year”, by the **Environmental Finance – Sustainable Investment Awards 2025**.



* For certain awards (such as the Environmental Finance Sustainable Investment Awards), Nordea Asset Management submitted entries for consideration. No payments were made to influence the outcome, and all awards were determined independently by the awarding organisations based on their own methodologies and criteria.

Active in the global RI community

Contributing actively to industry-wide responsible investment discussions and promoting.

Participating in investor initiatives is a way for us to exchange knowledge, shape the sustainable finance industry, and to benchmark and develop our own ESG approach and framework. During 2025, we were active in 36 investor initiatives across a broad range of ESG topics¹⁴. We were also active in several Sustainable Investment Forums (SIFs) throughout Europe and participated in numerous engagements in collaboration with other investors.

While these initiatives and collaborative actions are an extremely important part of our work, we recognize that our role and responsibility in the RI community extend beyond these initiatives. We aim to engage with our stakeholders, to educate and learn. We do this by participating in events and discussions, contributing to publications, engaging with our clients and fostering academic collaborations.

Industry Committees Representation

In 2025, we continued to play an active role in several key industry initiatives and governance bodies.

As founding members of the ISSB Investor Advisory Group¹⁴ (formerly SASB's Investor Advisory Group), we helped shape global sustainability disclosure standards, with our Head of Responsible Investments, Eric Pedersen, representing NAM. We lead company disclosure engagements and demonstrate ISSB standards' investor applications across scenarios.

Additionally, we have been supporters of Task Force on Climate-related Financial Disclosures (TCFD)¹⁴ framework, whose reporting principles have now been incorporated into the ISSB standards. These standards provide an important foundation for climate-related financial disclosures and support companies in reporting on the climate risks and opportunities most relevant to their business activities.

Our Head of Climate and Nature Team, Cecilia Fryklöf, participated on the steering committee of the Investor Initiative on Hazardous Chemicals (IIHC)¹⁴, addressing environmental and financial risks associated with chemical use. Since 2018 we have held a unique position as the sole asset manager on the Advisory Board of the Pharmaceutical Supply Chain Initiative, promoting responsible practices in the industry.

Magdalena Kettis from our Stewardship team serves on the management committee of the Investor Policy Dialogue on Deforestation (IPDD)¹⁴. Nordea is also an active member of the IPDD Brazil and Indonesia working groups, contributing to investor dialogue with policymakers on forest protection, land-use governance and sustainable supply chains. Additionally,

Magdalena serves on the Leadership Committee of the Corporate Human Rights Benchmark (CHRB)¹⁴.

Nordea Asset Management is also a founding member of the multistakeholder initiative [Guidance for Responsible Investment in Defence \(GRID\)](#), which focuses on developing guidance for responsible investments in the defence sector and is governed by a Steering Group of which we are members.

During 2025 Kenn Urhøj, Head of our Sustainability Research team participated in work with interest groups looking into the SFDR 2 regulation. Nordea Investment Management participated in FinanceDenmarks working group on Sustainable Investments and the Eurosif SFDR advisory group. Further Kenn Urhøj participated in the Partnership for Carbon Accounting Financials (PCAF)¹⁴ working group on the methodology for financed emissions from structured products and covered bonds.

Industry Conferences

We actively contribute to responsible investment discussions by participating in leading industry conferences, roundtables and investor forums globally. These platforms enable us to share insights from our stewardship and ESG integration work, exchange perspectives with peers, and contribute to shaping best practice across the industry.

In 2025, we participated in [PRI in Person](#) and several PRI-related events, contributing to discussions on sustainable finance, net zero alignment, stewardship, EU climate policy and emerging sustainability risks. Representatives from our Responsible Investment and Climate & Nature teams engaged in panel discussions and investor forums addressing topics such as climate transition pathways, sustainable finance regulation, corporate sustainability, and investor-company dialogue.

Throughout the year, we also participated in investor forums and sustainability conferences across Europe, including investor-company dialogues and sustainable finance events. At these events, we shared insights from our Methane Engagement campaign and our work with the Oil & Gas Methane Partnership 2.0 (OGMP 2.0)¹⁴, highlighting methane reduction as one of the most immediate and cost-effective levers for near-term decarbonisation. This work continues to position us as an active voice in advancing investor expectations on methane transparency, target-setting and implementation.

In October 2025 we joined IIGCC and a select group of investor members in a delegation to Brussels to underscore the importance of continued EU climate leadership and the development of the EU's sustainable finance framework. The delegation met

¹⁴) More information about RI Initiatives can be found in the appendix page 43.

with representatives from the European Commission, including DG CLIMA and DG FISMA, and emphasised the importance of the timely and full implementation of the EU Methane Regulation. We also participated as a panellist at the Danish Parliament discussing Denmark's role in global methane reduction and implementation of the EU Methane Regulations.

Lena Du, from our Sustainability Research team, also participated in the China SIF conference, contributing to discussions on sustainable investing and climate engagement in China. As part of the China Climate Engagement Initiative (CCEI)¹⁵, she joined UN PRI China and other investor peers to exchange perspectives on advancing responsible investment practices and strengthening investor engagement with Chinese companies on climate-related topics.

Through our participation in industry conferences, PRI forums and policy dialogues, we aim to both contribute to and learn from evolving responsible investment practices, strengthening our own approach while supporting the broader development of sustainable capital markets.



Eric Pedersen, Head of Responsible Investments at Nordea Asset Management, joined IIGCC and selected investor members in a delegation to Brussels to engage on EU climate and sustainable finance policy. Photo credit: IIGCC.

Collaborative Engagements

We recognize the value of collaborative engagements in our active ownership strategy, as they allow us to share industry perspectives and expand our impact. In 2025, we participated in 605 collaborative engagements, leading 119 of these. Key collaborations focused on Climate Action 100+, Nature Action 100+, and Oil & Gas Methane Partnership 2.0 (OGMP)¹⁵.

We also participated in engagements addressing social and human rights topics, including the Corporate Human Rights Benchmark (CHRB), the Digital Rights and Children in the Digital Environment engagements, as well as initiatives related to responsible investment in defence and investor due diligence¹⁵. Complementing these efforts, we also individually engaged with 786 companies during the same period, demonstrating

our commitment to both collective and direct approaches in promoting sustainable practices.

We continued our Methane Engagement campaign, which was awarded in 2024 the "Recognition for Action – Climate" award at the [Principles for Responsible Investment \(PRI\) Awards](#) ceremony in Toronto, Canada. Through these collaborative initiatives, we continue to leverage our joint influence to driving positive change, promoting sustainable practices, and creating long-term value for our clients and stakeholders.

Academic Collaborations

Eric Pedersen, Head of Responsible Investments, holds academic positions at Copenhagen Business School and Boston University. In 2025, the Responsible Investment team collaborated with students, delivered guest lectures and supported research on regulatory developments, sustainable finance and transition dynamics.

Dr. Nagihan Simeth, Senior ESG Analyst within Responsible Investments, authored the academic paper "*Debt-for-nature swaps: A case study of Gabon*"¹⁶, published in *Emerging Markets Review*, contributing to the debate on sustainable sovereign financing. In 2025, she delivered a guest lecture at Lund University.

We also continued contributing to industry methodologies. Through our involvement with the Partnership for Carbon Accounting Financials (PCAF)¹⁵, including participation in the securitised and structured products working group, we supported the harmonisation of GHG measurement approaches. In addition, we developed a covered bond methodology aligned with our Net Zero Asset Managers Initiative commitment¹⁵, to be implemented from 2025.

Serena Tan, Senior ESG Specialist, supported research on engagement and sustainable investing. The related SMU paper is available on SSRN and in the European Corporate Governance Institute (ECGI) Working Paper Series and received the Best Paper Award at the 2025 Massey Sustainable Finance Conference.

Our Responsible Investments team supports the ESG programmes at Copenhagen Business School (CBS) with lectures on circularity by Senior ESG analyst Till Jorde and collaboration through ESG-focused case work with CBS students. For many year now, NAM has been a partner to the Critical Cases in ESG Master course at CBS. This year the topics at focus included EU's fertilizer industry and the changing competitive landscape from the introduction of CBAM (Carbon Border Adjustment Mechanism).

Renée Tengberg, ESG Director Climate and Nature, delivered an in person case study lecture to IMD Business School MBA/ master's students in Switzerland as part of the PRI Academy-IMD collaboration. The session focused on practical applications of responsible investment and methane stewardship, drawing on Nordea's engagement experience to illustrate collective investor action for real-world impact.

15) More information about RI Initiatives can be found in the appendix page 43. 16) More information can be found [here](#).

New investor initiatives 2025

As a responsible investors, we actively participate in investor initiatives on various ESG topics. We are currently part of 35 initiatives, including 3 new initiatives that we joined during 2025.

New RI Initiatives
China Climate Engagement Initiative
Guidance of Responsible Investment in Defence
Impact Finance Belgium
ShareAction Chemicals Working Group
Investor Statements
Investor joint statement on the European Commission's "Omnibus" legislation
IIGCC collective investor statement on the EU Methane Emissions Regulation
CERES investor statement on methane regulation
ICGN letter to the Governor of Texas on proxy advisory regulation

New RI Initiatives:

China Climate Engagement Initiative (CCEI)

Supported by the PRI, the [China Climate Engagement Initiative](#) aims to promote a green, low-carbon and high-quality transition of companies in China. The initiative facilitates institutional investors in leveraging their active ownership influence and engaging in more coordinated and sophisticated dialogues with Chinese companies and industries. Through this collaboration, we seek to support credible climate transition pathways in one of the world's most systemically important markets.

Guidance of Responsible Investment in Defence

We are members of the steering committee of this multistakeholder initiative aiming at the development, promotion and adoption of an internationally recognised and credible set of [Guidance for Responsible Investment in Defence](#)-related companies supported by practical implementation tools.

Impact Finance Belgium

[Impact Finance Belgium](#) is a membership association founded in 2023 that brings together investors, foundations, banks and public actors to grow the impact investing ecosystem in Belgium. The organisation does not invest directly; instead, it mobilises and coordinates stakeholders through research, policy advocacy, working groups and events aimed at increasing the share of capital delivering measurable social and environmental impact. Our membership strengthens our engagement in the European impact investing landscape.

ShareAction Chemicals Working Group

The [ShareAction Chemicals Working Group](#) is a collaborative engagement initiative supported by the NGO ShareAction. The group focuses on accelerating climate transition strategies among key European chemicals companies. Through coordinated investor action, the initiative promotes alignment with 1.5°C pathways by setting high-impact, sector-specific expectations grounded in in-depth research. Participation strengthens our engagement on transition risk in one of the most emissions-intensive industrial sectors.

Investor Statements:

EU policy – Investor joint statement on the European Commission's "Omnibus" legislation

Nordea Asset Management supported a joint [investor statement coordinated by PRI, IIGCC and Eurosif](#) regarding the European Commission's proposed "Omnibus" package. The statement, signed by more than 160 investors representing €6.6 trillion in assets under management, highlighted concerns that the proposed legislative changes could weaken key elements of the EU's sustainable finance framework, including the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD). Investors emphasised that maintaining a stable and ambitious regulatory framework is critical for investment certainty and for supporting the transition to a net-zero economy.

IIGCC collective investor statement on the EU Methane Emissions Regulation

Nordea Asset Management joined 44 institutional investors representing more than €4.85 trillion in assets in calling on the European Commission, the European Parliament and EU Member States to maintain and swiftly implement the EU Methane Emissions Regulation as adopted. The [statement](#) emphasised that regulatory certainty is essential for long-term investment planning and for enabling companies and investors to manage methane-related risks and emissions effectively.

CERES investor statement on methane regulation

We supported a CERES-led investor statement calling for the implementation of performance-based methane regulations and timely policy action to improve the reliability, transparency, and comparability of methane emissions data.

ICGN letter to the Governor of Texas on proxy advisory regulation

In June 2025, Nordea Asset Management supported [a letter coordinated by the International Corporate Governance Network \(ICGN\)](#) to Texas Governor Greg Abbott regarding Senate Bill 2337 on proxy advisory services. The letter expressed concerns that the proposed legislation could interfere with investors' ability to fulfil their fiduciary duties and exercise effective proxy voting. It also highlighted that imposing additional disclosure requirements on proxy advisors could increase costs for investors and potentially reduce market efficiency and the competitiveness of Texas-based companies. Proxy advisory services play an important role in supporting institutional investors in exercising their voting rights efficiently, while investors retain full control over their voting decisions and policies.

Regulatory certainty is fundamental to long-term business planning, and methane reductions are essential for limiting near-term global warming. The EU methane rules as they stand aren't just good climate policy — they're needed to reduce risk for companies, portfolios, the securities market and society at large.

Eric Christian Pedersen, Head of Responsible Investments, Nordea Asset Management

Sustainability at Nordea Group



Nordic values are an essential part of Nordea Asset Management's (NAM) business culture, guiding us in everything we do.

Sustainability is embedded across Nordea Group's business strategy, backed by measurable targets, strong governance, and a broad sustainability offering. Nordea Group has long and solid experience within Sustainable Finance and at NAM, we are fully committed to – and actively working on – making the financial sector more sustainable.

As a leading Nordic bank, we have the capacity to support the transition to net zero – via our customer offerings, through our lending and investment decisions and by reducing the emissions from our internal operations and supply chain. Therefore, our business objective is to achieve net-zero emissions across our value chain in terms of scope 1, 2 and 3 emissions by the end of 2050 at the latest. In addition to our net-zero commitment for 2050, we see interim targets as essential components of the global effort to limit warming to 1.5°C. We have therefore

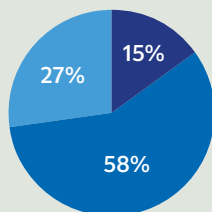
established objectives to reduce emissions across both our lending and investment portfolios as well as our internal operations by the end of 2030.

Nordea Group's sustainability work is led by the Group Sustainability team. This includes everything from setting and meeting our internal sustainability targets, from resource usage to diversity, and also integrating sustainable considerations into the products and services across the Group. At NAM level, the Responsible Investment (RI) team carries out research on the integration of environmental, social, and governance (ESG) aspects into our investments.

The two boxes below summarise some of Nordea Group's key sustainability metrics. More information about Nordea Group's sustainability efforts can be found in [Nordea's Annual Report 2025](#).

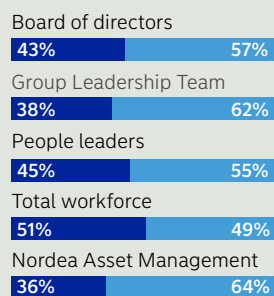
Diversity and inclusion

Age distribution in the total workforce



- below 30 years old
- 30–50 years old
- above 50 years old

Gender balance



Carbon emissions from own operations (2025)

Nordea Group has committed to achieving net-zero carbon emissions by 2050 across investment portfolios and internal operations



GHG Emission Intensity:

-52%

reduction from 2019 baseline

Responsible Investment approach

ESG Governance and Teams

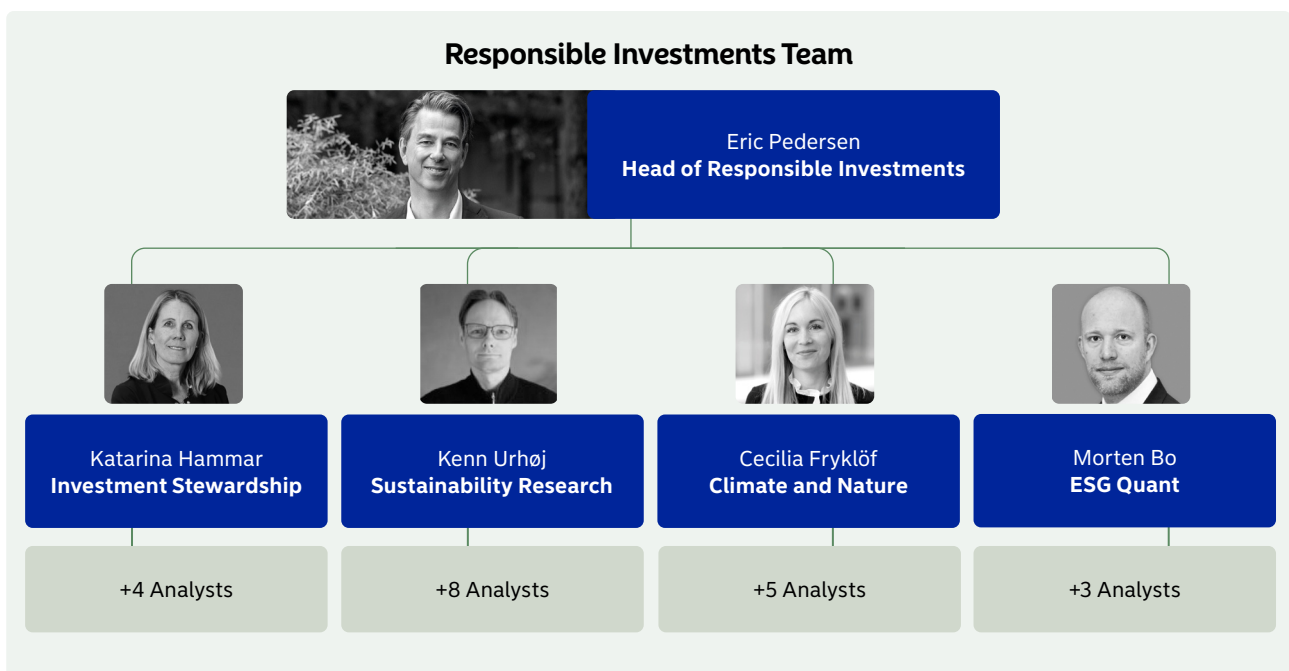
Responsible Investments (RI) Team

Formed in 2009, Nordea Asset Management's (NAM) RI team is one of the most highly-regarded in Europe in terms of ESG analysts. It is composed of 25 analysts, who work closely with their respective portfolio management teams in Copenhagen, Stockholm, Oslo, Helsinki and Singapore. Besides working closely with the investment boutiques managing ESG products and setting the framework for the development of new quantitative tools and data sources.

The team carries out ESG research, active ownership activities, and represents NAM in international RI initiatives. We are continuously developing our RI approach in line with the increasing complexity, depth and scope of application of ESG methods, in order to maintain NAM's leadership in the area. The team provides a broad RI coverage with a particular focus on our ESG Flagship Strategies, working closely with their respective portfolio management teams. The RI team often participates in client meetings and ESG conferences to share its latest insights and findings. It also leads ESG training (e.g. climate workshops) both internally and for clients.

The RI team's various functions and main responsibilities can be divided into four clusters:

- **The Investment Stewardship cluster** is responsible for NAM's engagement framework, including escalation procedures, proxy voting, firm-level PAI process as well as for driving the Responsible Investment Committee agenda
- **The Climate & Nature cluster** maintains focused expertise and analysis of climate change and biodiversity factors and policies, implementation, engagement campaigns and reporting (e.g. Task Force on Climate related Financial Disclosures (TCFD) recommendations). Additionally, the team supports on developing tools and solutions for clients and PMs
- **The Sustainability Research cluster** carries out company and sector specific ESG research and engagement for NAM's ESG funds, as well as ESG product development. This includes our proprietary ESG scoring, which is an integral part of our ESG-enhanced strategies such as the Sustainable STARS funds
- **The ESG Quant cluster** develops and maintains NAM's proprietary ESG scoring tool and platform, as well as other advanced applications of ESG data



ESG and Responsible Investments Committees

At Nordea Asset Management (NAM), we have established a robust structure for both oversight and implementation of responsible investment practices. This structure ensures that our commitment to ESG principles is embedded throughout our organization, from the Board of Directors to individual investment teams.

ESG Committee

Following a firm wide ESG project carried out in 2021-22, in 2023 we created an ESG Committee, supported by an operational forum, to secure the governance of our ESG related methods and principles. An ESG Operational Forum facilitates discussions and secures alignment and coordination on ESG matters across the NAM internal value chain, ensuring that the relevant decisions are brought to the ESG Committee for approval.

The ESG Committee is also responsible for the content of and adherence to our Responsible Investment Policy:

- Drive NAM's ESG Strategy
- Approve entity level ESG principles, policies and statements
- Approve significant changes to ESG methodologies and product strategies
- Secure good governance and proper handling of potential conflict of interest matters in the ESG area



Responsible Investment Committee

Our Responsible Investment Committee (RIC), which is comprised of the NAM CEO and Senior NAM executives, ensures compliance with our RI Policy by monitoring engagements and deciding on the level of engagement in companies that violate international norms or companies where an engagement is deemed relevant for other reasons. Additionally, RIC also submits recommendations on companies to be included/excluded from the Exclusion List (decision is taken by the CIO's). The RI Committee acts on behalf of all actively managed funds. Day-to-day management of RI issues is handled by the RI team.



Corporate Governance Committee

The Corporate Governance Committee is a key body responsible for overseeing and approving NAM's corporate governance principles and voting decisions. It includes board members from the Nordea Fund company, providing high-level oversight and independent decision-making. The committee is chaired by one of the external board members to ensure impartiality. In sum, its key responsibilities include:

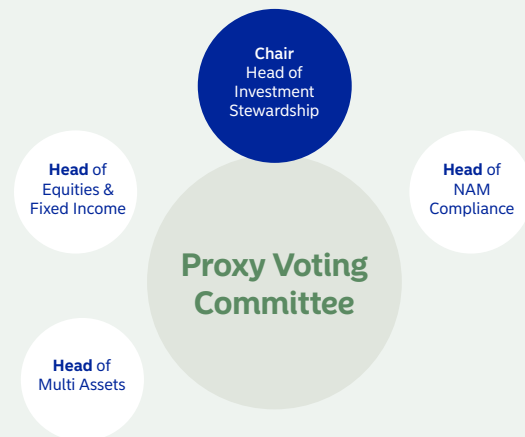
- Annually reviewing and approving the Corporate Governance Principles, which guide NAM's voting activities
- Making decisions on voting matters that are escalated to the committee, particularly in cases of potential conflicts of interest
- Ensuring that voting decisions are made in the best interests of clients



Proxy Voting Committee

The Proxy Voting Committee (PVC) is responsible for driving voting decisions and managing conflicts of interest related to voting activities for client mandates. In sum, its key responsibilities include:

- Implementing the Corporate Governance Principles for client mandates
- Making voting decisions
- Managing potential conflicts of interest in proxy voting for client portfolios



Our Responsible Investment framework



At NAM, we believe it is our fiduciary duty to deliver returns with responsibility¹⁷. Our commitment to be a responsible asset manager is not new. We launched our first sector-screened fund in 1988 and we were an early adopter of Responsible Investment (RI), signing the UN Principles for Responsible Investment (PRI) back in 2007. By the end of 2025, Responsible Investment Solutions comprise over 74% of NAM’s AUM.

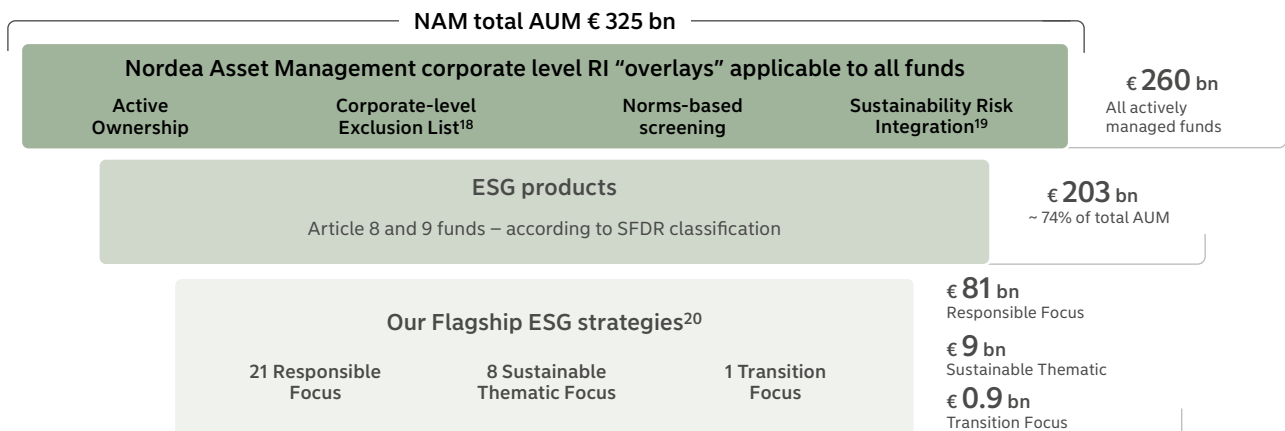
NAM has developed policies and procedures to ensure that the companies we invest in meet our expectations related to ESG performance, and that ESG and sustainability risks are managed in all our investment processes. These include both corporate-level RI approaches ("overlays") and product-specific approaches.

NAM’s RI Policy defines our position on sectors that are linked to material ESG issues, going beyond the international norms and conventions. This helps to ensure that the companies we are invested in meet our expectations of sound ESG perfor-

mance. The policy describes the stance we take on a number of areas within human rights, climate change, biodiversity and good governance. Depending on the nature and gravity of individual cases, breaches can trigger engagement or exclusion. The RI Policy is publicly available on our website.

Our corporate-level RI overlays include norms-based screening, active ownership activities and NAM-wide exclusions, as well as Sustainability Risk Integration. We also have product specific RI approaches that take a step further into enhancing ESG integration.

A comprehensive RI Framework including various forms of RI



17) There can be no warranty that an investment objective, targeted returns and results of an investment structure is achieved. The value of your investment can go up and down, and you could lose some or all of your invested money. 18) Over 260 companies. NAM’s Exclusion List available [here](#). 19) Integration of Sustainability Risks in the respective funds decision-making process, applied as internal guidance and not as a legally binding requirement. Every investment boutique has access to NAM’s proprietary ESG Model and ESG analysis from the RI team and ESG data from external providers via our proprietary ESG data platform. 20) These only refer to Nordea 1 and Nordea 2 Funds.

Responsible Investment Strategies at NAM



NAM's Responsible Investment flagship solutions feature distinct offerings. Our **Responsible Focus range** which select high-quality companies with strong ESG profiles, aiming for long-term financial value. The **ESG Thematic range** which allows investors to target specific sustainability aspects. Finally, our **Transition Focus** funds invest in companies that are transitioning towards more sustainable and resilient business models.

Today²¹ we manage approximately 270 funds that incorporate additional ESG filters and policies beyond our corporate overlays. These funds are classified as either Article 8 or 9 as per European Sustainable Finance Disclosure Regulation (SFDR). All our Article 8 and 9 funds consider PAI on sustainability factors as part of their investment processes. As a result, they are all eligible under MiFID II for selection by clients with sustainability preferences.

Going a step further, we offer specialized ESG flagship strategies, including the Responsible Focus Range, which encompasses our ESG Sustainable STARS Funds and BetaPlus Enhanced Sustainable Funds; the ESG Thematic range and Transition Focus Funds. The Responsible Focus Strategies employ full ESG integration and positive selection, while the ESG Thematic strategies seek solutions to specific sustainability challenges, such as our Global Climate and Environment Fund, one of the largest article 9 funds in Europe²². Finally, our Transition Focus Strategy is built on the belief that we can support companies transitioning to more sustainable business models. Our credentials extend to international ESG labels such as Label ISR and the Towards Sustainability Label²³.

Our Responsible Focus Strategies

Sustainable STARS strategies – Tomorrow's winners

Our Sustainable STARS range is built on the belief that companies and issuers that integrate both ESG and financial metrics into their strategic decisions will be tomorrow's winners. In these strategies, we aim to beat the benchmark through investing in companies or bonds that meet specific STARS standards.

Every investment in our Sustainable STARS strategies is examined through both an ESG and a financial lens. Our ESG analysts work closely with the investment teams to identify material sustainability risks and opportunities relating to the companies' medium- to long-term operational performance and market positioning, and the results of their analysis feed into proprietary ESG tools that are integrated into the investment process. Active ownership and engagement are an important part of the Sustainable STARS investment approach. Our RI team and investment boutiques operate in close collaboration to engage in productive dialogues with many of our Sustainable STARS holdings. The Sustainable STARS range covers a wide scope of regions and asset classes.

The information provided here gives only a high-level description of the products' ESG approach and does not provide details on the methodology, criteria, or limitations applied. For details on investment strategy and binding elements, please see the relevant prospectus. 21) Date as of 31.12.2025. 22) As of 15.10.2024, Source: © 2025 Morningstar, Inc. All Rights Reserved as of 31.12.2025. 23) For more information on ESG labels, please refer to page 20.

BetaPlus Enhanced Sustainable Strategies

NAM's BetaPlus Enhanced Sustainable Equity Strategies are active and cost-effective long-only solutions aiming to deliver consistent excess returns, limited active risk, and very strong ESG features.

The strategies employ a proprietary quantitative, multi-factor framework that capitalizes on market inefficiencies with the aim to generate alpha. By systematically identifying the most effective factors across various market segments, BetaPlus Enhanced Sustainable Equity Strategies construct portfolios aimed at outperforming traditional market-cap weighted indices while integrating rigorous ESG criteria, including extensive exclusions and decarbonization targets, without necessitating benchmark changes. This approach enables valuable sustainability outcomes while pursuing consistent excess returns²⁴.

Managed by a team with over 15 years of experience and more than €60 billion in assets under management²⁵, the strategies have established themselves in the enhanced index solutions space. In an investment landscape increasingly dominated by passive strategies, they provide a sophisticated active alternative that combines the benefits of broad market exposure with the potential for outperformance and integration of sustainability features²⁴.

Our Sustainable Thematic solutions – Building a better future

We also offer a range of thematic strategies that focus on specific sustainability challenges aligned with the UN's Sustainable Development Goals (SDGs), to tackle the most pressing social and environmental challenges.

The climate crisis is one of the greatest challenges of our time. But climate change has many faces, and it cannot be separated from social problems, which are often drivers of environmental issues. Significant economic, societal and institutional changes are needed to combat these challenges.

Our thematic solutions are crafted to encompass the full spectrum of these complex issues, providing investors with opportunities to contribute to meaningful change while seeking financial returns²⁴. By focusing on specific sustainability themes, we aim to channel capital towards innovative companies and projects that are at the forefront of developing solutions to global challenges, from renewable energy and resource efficiency to sustainable agriculture and social inclusion:

Sustainable Thematic Products



24) **There can be no warranty that an investment objective, targeted returns and results of an investment structure is achieved. The value of your investment can go up and down, and you could lose some or all of your invested money.** 25) Nordea Investment Management AB. Data as of 31.12.2024.

Our Transition Focus Strategies – Widening our horizons

We truly believe that engagement can support companies transitioning to more sustainable business models.

Nordea 1 – Global Climate Transition Engagement Fund

In 2022, Nordea launched the Global Climate Transition Engagement strategy, which targets companies in sectors often overlooked by the market due to their less favorable carbon emission profiles. Despite this, we recognize that these companies can play a pivotal role in the energy transition. Our team at NAM, identifies opportunities for real-world decarbonization through a structured engagement approach with these businesses. We believe that many of these companies simply need the right guidance and expertise to unlock their ecological potential, reveal their hidden value potential, and attract investments. As such, engaging on material environmental issues forms the core of our investment process. We've executed more than 220 substantive engagements with portfolio companies over these three years, driving meaningful dialogue on climate transition strategies, emissions reduction targets, and sustainable business practices.

We have also developed a Forward Decarbonization Tool to assess companies' potential future greenhouse gas emissions trajectories, enhancing our systematic consideration of decarbonization paths. This proprietary tool provides a forward-looking view of direct (scope 1) and indirect (scope 2) emissions. Our conviction in decarbonization and climate transition investing has strengthened, as we see growing interest and investments in this area. We believe our climate capabilities will continue to support our dual objective of generating shareholder value while contributing to a greener future.²⁶

²⁶) There can be no warranty that an investment objective, targeted returns and results of an investment structure is achieved. The value of your investment can go up and down, and you could lose some or all of your invested money.



Sustainable Stars Equity Funds

Towards Sustainability Label²⁷Label ISR²⁸

Nordea 1 – European Small and Mid-Cap Sustainable Stars Equity Fund

Nordea 1 – Emerging Sustainable Stars Equity Fund



Nordea 1 – North American Sustainable Stars Equity Fund



Nordea 1 – Nordic Sustainable Stars Equity Fund

Nordea 1 – Global Sustainable Stars Equity Fund

Nordea 1 – European Sustainable Stars Equity Fund



Nordea 1 – Asian Sustainable Stars Equity Fund

Nordea 1 – Emerging Sustainable Stars ex China Equity Fund

Sustainable Stars Fixed Income Funds

Nordea 1 – European High Yield Sustainable Stars Bond Fund



Nordea 1 – European Corporate Sustainable Stars Bond Fund

Nordea 1 – Global High Yield Sustainable Stars Bond Fund

Nordea 1 – North American High Yield Sustainable Stars Bond Fund

Nordea 1 – US Corporate Sustainable Stars Bond Fund

Sustainable Thematic

Nordea 1 – Global Climate and Environment Fund



Nordea 1 – Global Social Empowerment Fund

Nordea 1 – Global Impact Fund

Nordea 1 – Global Sustainable Real Assets Fund

Nordea 1 – European Corporate Sustainable Labelled Bond Fund

Nordea 1 – European Sustainable Labelled Bond Fund

Nordea 2 – Global Edge Sustainable Equity Fund

Nordea 1 – European High Yield Sustainable Climate Bond Fund

Engagement Focus

Nordea 1 – Global Climate Transition Engagement Fund

BetaPlus Enhanced Sustainable

Nordea 2 – BetaPlus Enhanced Swedish Sustainable Equity Fund

Nordea 2 – BetaPlus Enhanced Japanese Sustainable Equity Fund

Nordea 2 – BetaPlus Enhanced Global Sustainable Equity Fund

Nordea 2 – BetaPlus Enhanced Emerging Markets Sustainable Equity Fund

Nordea 2 – BetaPlus Enhanced European Sustainable Equity Fund

Nordea 2 – BetaPlus Enhanced North American Sustainable Equity Fund

Nordea 2 – BetaPlus Enhanced Global Sustainable Small Cap Equity Fund

Nordea 2 – BetaPlus Enhanced Global Developed Sustainable Equity Fund

27) The Towards Sustainability label ensures that a minimum yet ambitious level of sustainability is achieved and that the product has undergone an independent sustainability audit. It also requires the portfolio manager to be transparent about the specific implementation of its sustainability policy. Detailed information on the label and its methodology is available at: <https://towardsustainability.be/>. The label was awarded in April 2026 and is valid for two years. NAM pays fees to maintain these labels. 28) Label ISR is created and supported by the French Finance Ministry. Its purpose is to allow savers, as well as professional investors, to distinguish investment funds that implement a robust socially responsible investment (SRI) methodology, resulting in measurable and concrete outcomes. SRI is an approach that aims to apply the principles of sustainable development to investments. Detailed information on the label and the methodology can be found here: <https://www.llelabelisr.fr/>. The label was received April 2025 and is valid for two years. NAM pays fees to maintain these labels.



Our Stewardship Approach

Being an active owner is central to the integration of ESG in our Responsible Investment approach. Our active ownership activities span all of our products.

We believe that active ownership is a powerful way to protect shareholder value, enhance long-term returns and foster positive change. We are convinced that ensuring good ESG practices in our funds' holdings is an important part of safeguarding the long-term interests of shareholders and society. When we want to improve a company's management of its ESG risks, we exercise our ownership right to support and influence the company.

Whilst we are prepared to exclude companies when deemed necessary, our experience proves that active ownership is often a more effective tool to improve ESG performance, manage risk and identify opportunities. Our active ownership efforts include engagement, proxy voting, attending annual general meetings and contributing to the development of industry ESG standards.

Engagement

We believe that improved management of sustainability risks and opportunities is vital to creating returns with responsibility, and that engagement can result in competitive advantage, increasing the likelihood of companies being successful in the long run – benefitting companies, clients and society at large.

Engaging with our investee companies enables us to address material sustainability risks and opportunities. Our engagement activities combine the perspectives of portfolio managers, financial analysts and ESG specialists to form a holistic opinion and establish coherent engagement objectives. Portfolio managers actively participate in engagement activities together with our ESG analysts. Engagements often run over several years and are carried out either by NAM alone or in collaboration with other institutional investors.

During the engagement period, we conduct regular meetings with the company and track progress against pre-defined engagement objectives. Engagement may entail a dialogue with the companies' executive bodies, influence on board composition, cooperation with other investors on joint voting at annual general meetings and generally keeping a strict eye on the company. The dialogue allows us to put forward our expectations on corporate behavior and to support companies in enhancing their sustainability performance.

Progress reports and outcomes of the engagement are communicated to portfolio managers and financial analysts, allowing the information to be considered in investment decisions. In cases where an engagement relates to critical issues for the specific investment case or the general investibility of a company, failure to meet expectations will entail escalation of the issue through other stewardship activities, such as voting, and ultimately the consideration of quarantine or divestment.

Our engagement activities typically fall into one or more of four categories:

1. Investment-led engagement

This relates to material ESG-related risks or opportunities identified by portfolio managers, financial analysts and ESG analysts via our company assessments.

2. Norms- and incident-based engagement (including PAI)

These engagements cover companies that are in breach of

international norms or conventions or those involved in ESG-related incidents. Significant deviation from the relevant peer universe on PAI metrics may also trigger engagement.

3. Thematic engagement

This type of engagement is initiated for investee companies with the most material exposure to one or several of our four focus areas:

- Biodiversity
- Climate
- Good governance
- Human rights

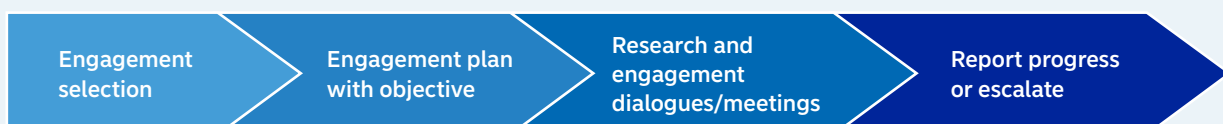
4. Political engagement

We may participate in activities that can be considered as political engagement, including public policy dialogues with governments as well as public authorities on specific ESG issues, through feedback on regulations and expressing support to policy makers through public endorsement in investor statements.

These types of activities are subject to careful consideration and diligence. We always assess the appropriateness of an activity that could be considered political, before we decide to enter it, and always assess the potential impact of such activity. Our activities focus solely on ESG issues, and do not intend to favor any specific political party or ideology. We believe that our participation in political activities can contribute to long-term value creation and have a positive impact on society.

Each theme is closely aligned with the SDGs and relevant ESG risks and has been selected and defined through close collaboration between ESG specialists, portfolio managers, financial analysts and clients. In addition to engagements with companies, we are increasing our work in the sovereign engagement sphere. All of our engagements are tracked in our in-house database and reviewed by the RI team to monitor progress.

NAM's engagement activities are carried out on behalf of all our funds, and follow this process:



Voting



We believe in the power of responsible voting to drive positive change. Our strategic approach to stewardship not only safeguards shareholder value but also promotes sustainable business practices, setting new standards for corporate governance in the investment landscape.

The Stewardship team's engagement and voting activities are based on Nordea's Engagement Policy and Corporate Governance Principles. These principles summarize our expectations on companies' governance issues, such as board composition, remuneration, capital management and sustainability.

We believe that sound corporate governance contributes to shareholder value and reduces risks in equity investments. It is also essential for a balanced and transparent relationship between companies and shareholders, in which the latter play a vital role in improving a company's performance. From a shareholder perspective, voting is an effective tool for influencing companies and supporting and escalating our engagements.

NAM aims to:

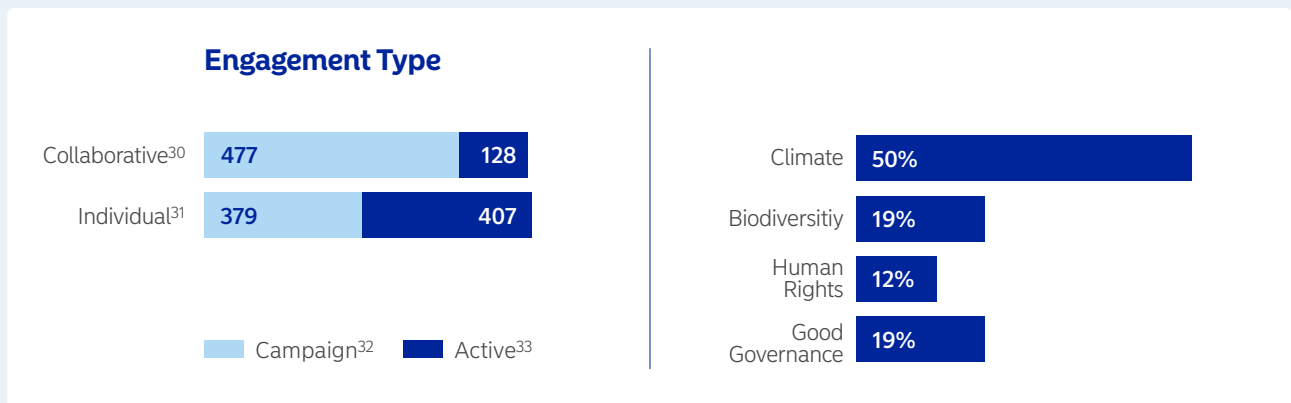
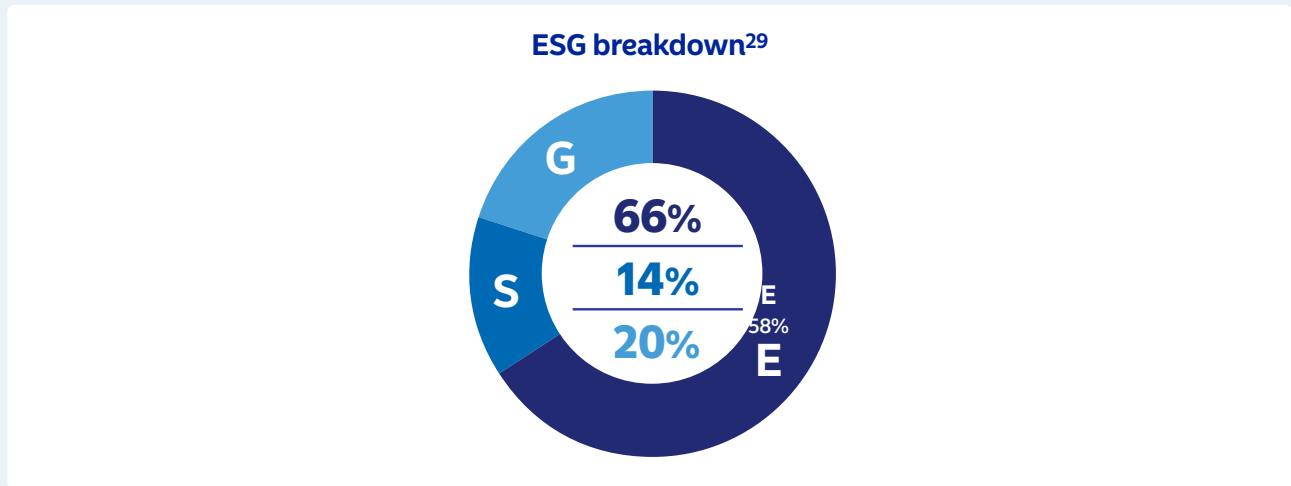
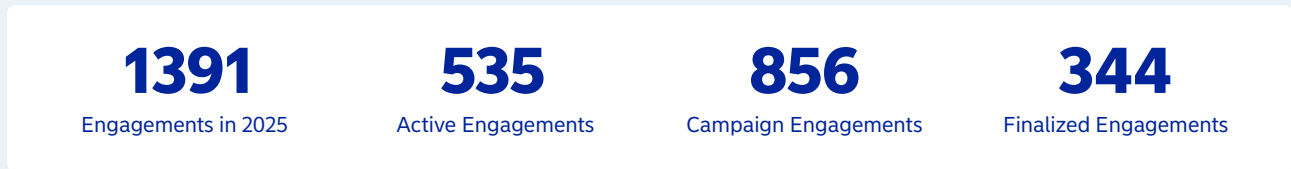
- Actively engage with companies and stakeholders predictably and consistently, thus contributing to returns with responsibility for our unitholders
- Act as industry leader and contribute to well-functioning capital markets
- Be transparent with engagements and voting records

The Stewardship team analyses the shareholder meetings agenda items and resolutions of investee companies and arranges ongoing dialogue with investee companies before and after these meetings. Actual voting decisions are also influenced by our engagements with companies and the views of internal investment experts, such as the RI team and Portfolio Managers. Proxy voting is supported by two external vendors to facilitate the voting and provide analytic input. We use ISS and Glass Lewis for proxy voting; execution as well as research.

Besides sound governance, we place particular emphasis on our other focus areas – **climate, human rights and biodiversity**. We are seeing increasing shareholder proposals relating to environmental issues and climate reporting. Our Corporate Governance Principles and RI policy are reviewed annually. This review aims to evaluate whether our policies still meet best industry practice and our unitholders' expectations and accurately reflect our internal processes. The review also includes monitoring any updates to signed stewardship codes or RI-related memberships that may imply certain commitments.

Stewardship Activities 2025

Engagement activities at a glance



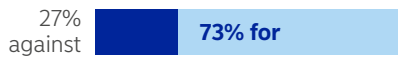
Source: Nordea Investment Management AB, Data as of 31.12.2025. 29) E, S and G categorizations are not mutually exclusive. An engagement can be both E and S or other, data displayed is considered separately as different engagements and then normalized to a proportion of total engagements. 30) Collaborative engagements are coordinated efforts where multiple investors work together to engage with one or more companies, calculated as a percentage of total engagements. 31) Individual engagements are direct and independent interactions between Nordea Asset Management and a specific company, calculated as a percentage of total engagements. 32) Campaign engagements are initiatives targeting multiple companies with a shared thematic goal, calculated as a percentage of total engagements. 33) Active engagements are direct company-specific interactions, that involve proactive communication and may include both individual and collaborative efforts, calculated as a percentage of total engagements.

Voting activities in 2025

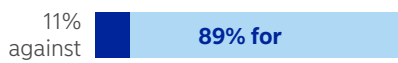
In 2025, we voted in around 3400 General Meetings

Representing around 95% of all votable meetings

Voted in 100% of climate proposals



Alignment with management



Number of shareholder proposals

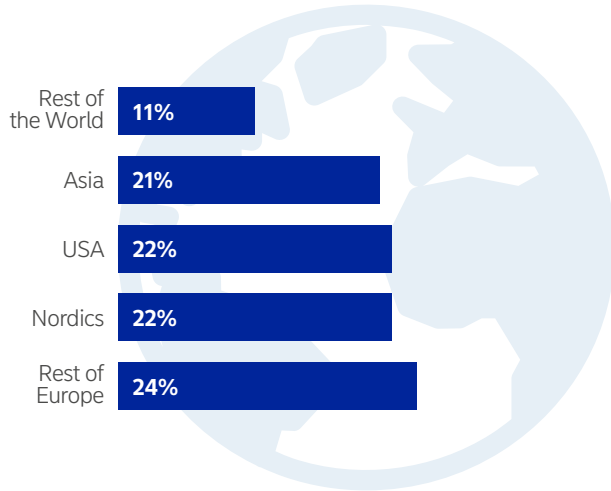
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we voted on 2025 of which we supported 54%

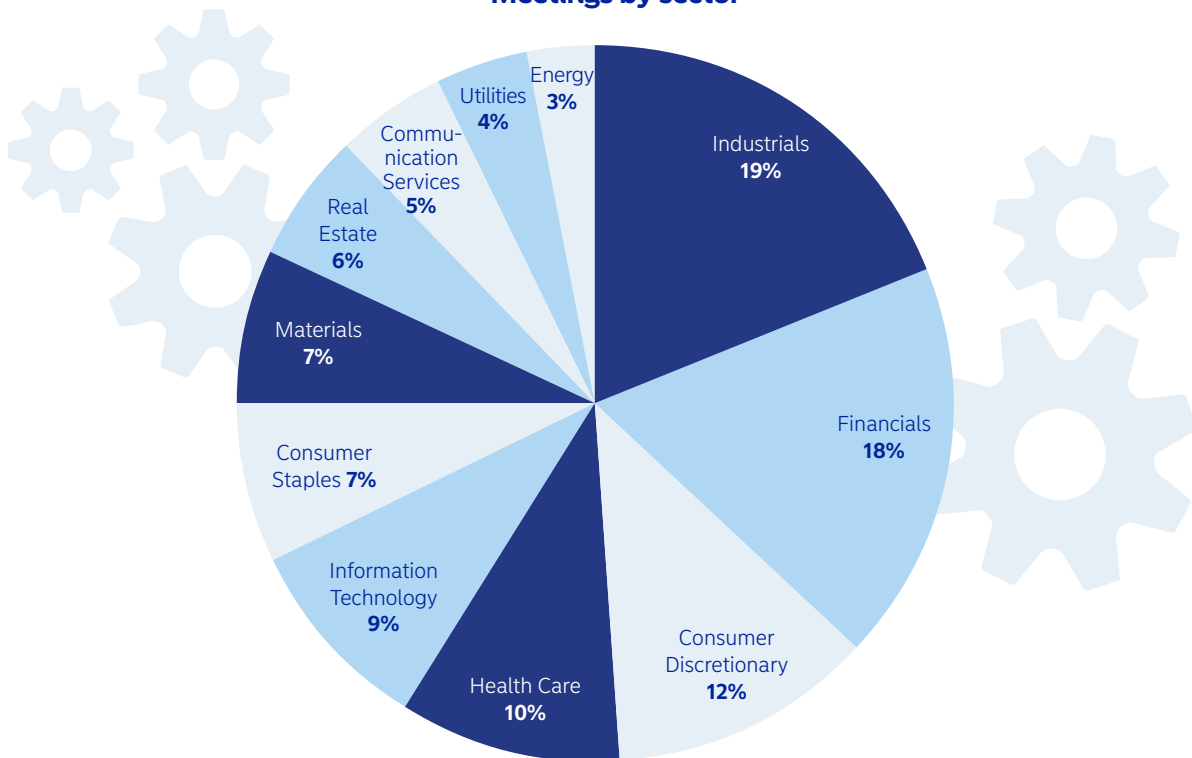
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Co-filed by Nordea for the shareholder meeting of Amazon

Meetings by country



Meetings by sector





Focus on Methane Engagement

Methane is a powerful greenhouse gas, responsible for roughly 30% of today's global warming. Although it is 86 times more potent than carbon dioxide over a 20 year period³⁴, it remains in the atmosphere for far less time. This makes methane a major driver of near term warming, while also offering a crucial opportunity: emissions reductions made today can deliver meaningful climate benefits within about a decade.

The engagement

Since 2022, Nordea Asset Management has led a collaborative engagement on methane across equity and fixed income holdings together with approximately 20 partners and clients representing more than €3.7 trillion in assets under management. In 2025, we continued engagement with more than 60 oil and gas, utilities and waste management companies on the measurement, disclosure and mitigation of methane emissions.

Our core expectation remains that energy companies commit to achieving near zero methane emissions supported by [OGMP 2.0 Gold Standard](#) reporting, the most credible global framework for transparent methane measurement, reporting and target setting. Ten companies in the engagement achieved alignment with the gold standard pathway on the basis of credible implementation plans in 2025. Equinor achieved Gold Standard reporting for operated assets³⁵.

Building on strong momentum from 2024, we further broadened our engagement activities in 2025. We convened a dedicated utilities sector workshop in New York, bringing together operators, investors and technology experts to strengthen methane management practices in the sector and encourage

alignment with OGMP 2.0. We also initiated our work with the waste management sector through a field trip to a renewable gas facility in Texas and initiated engagement with three waste management companies to on opportunities for improved methane measurement and reduction across their operations.

Our policy engagement efforts were similarly strengthened. In 2025, we engaged with policymakers on the implementation of the EU methane regulations, provided input to the US Environmental Protection Agency's reconsideration of the greenhouse gas reporting framework, and advocated for improved methane related disclosure requirements for oil and gas and coal operations under the SASB Standards revision process. These activities complemented our continued engagement with Environment and Climate Change Canada and our participation in relevant industry and standard-setting forums.

Our collaborative engagement efforts continue to be recognised externally. In 2025, Nordea Asset Management was shortlisted for the International Corporate Governance Network's Stewardship Excellence Award, reflecting our leadership in advancing methane transparency and encouraging meaningful emissions reductions across key sectors.

34) Source: [International Energy Agency](#). 35) Reference to companies or other investments mentioned should not be construed as a recommendation to the investor to buy or sell the same but is included for the purpose of illustration.

2024 Methane Award Recognition

In October 2024, NAM won the prestigious “Recognition for Action – Climate” [award](#) at the Principles for Responsible Investment (PRI) Awards ceremony in Toronto, Canada.

We were recognized for our leadership in spearheading this collaborative engagement of approximately 20 investors focused on enhancing disclosures and reducing company methane emissions to near zero within the energy, utilities and waste management sectors.

The engagement was also recognised as Highly Commended, Best Sustainable Investment Engagement Initiative in [2024 Sustainable Investments awards](#).



Nordea Asset Management Team receiving the 2024 PRI Recognition for Action – Climate Award, at the PRI Awards ceremony in Toronto, Canada.

ESG Focus Areas

Climate



As a leading asset management firm and UN PRI signatory since 2007, we have reinforced our commitment to climate change mitigation by setting comprehensive targets aligned with achieving net-zero emissions across all assets under management by 2050.

Our strategy combines short- and mid-term objectives, including reducing the weighted average carbon intensity (WACI) of investments and engaging companies to align with 1.5°C scenarios.

Our Engagement Campaigns

We actively participate in international investor initiatives and collaborative engagements focused on climate-related topics. Examples include **Climate Action 100+** (CA100+), which engages with the most carbon-intensive public companies, and our Methane Engagement campaign in which we encourage our investee companies to adopt the **Oil and Gas Methane Partnership** (OGMP), a framework for methane measurement, reporting, and target setting.

We have achieved our 2025 target to ensure that 80% of our **top 200 largest carbon footprint contributors** are on a Paris-aligned trajectory or otherwise subject to engagement. To assess the alignment profile of companies, NAM evaluates six current and forward-looking alignment criteria as defined by the PAII Net Zero Investment Framework. As of end 2025, 93% of top 200 companies were aligned or under active engagement to become aligned. This milestone was met through the following key actions:

- Individual company dialogues where we stated and discussed our expectations of Paris alignment
- Engagements via collaborative initiatives (CA100+, IIGCC Net Zero Engagement Initiative, CDP non-disclosure campaign)
- CEO letters outlining the six alignment criteria and our expectations

Some of our Climate engagement initiatives





Engagement Case: Contributing to GFL Environmental Climate Transition

GFL Environmental is a major North American waste management provider whose operations – particularly landfill activities – drive a sizeable carbon footprint of roughly 4 million tonnes of CO₂e (about 71% of total emissions). While waste services contribute positively to environmental outcomes through recycling and resource recovery, methane emissions from landfills pose a significant climate challenge. At the same time, technologies such as landfill gas capture and renewable natural gas (RNG) production present an opportunity to materially reduce emissions while generating additional revenue.

Our engagement focused on encouraging GFL to adopt more ambitious and credible emissions reduction targets aligned with its operational potential and its projected growth in RNG. Initially, GFL's 2030 target – a 15% reduction in Scope 1 and 2 emissions – lagged peers and appeared inconsistent with management's own expectations for RNG's value contribution. This mismatch suggested a need for clearer alignment between climate strategy and business fundamentals.

Through multi level engagement – including dialogues with the CEO, sustainability leadership, NAM-led methane initiatives, and Climate Engagement Canada – we highlighted this inconsistency. These discussions contributed to a strategic shift: GFL doubled its Scope 1 and 2 reduction target to 30% by 2030 and conducted independent verification of its alignment with a 1.5°C pathway. Although the company opted for a hybrid methodology rather than pursuing SBTi validation, we continue to encourage full transparency on its approach to enhance credibility.

Progress towards the new target is supported by an expanding pipeline of RNG projects, ongoing capital investment in landfill gas capture, and improved emissions measurement. Looking ahead, our engagement will focus on ensuring GFL clearly demonstrates how RNG deployment underpins its decarbonization trajectory and aligns its emissions pathway with a science based 1.5°C scenario.

Voting on Climate

We leverage climate votes to influence corporate climate strategies, expecting boards to oversee and disclose climate risks due to their potential impact on company value. The Investment Stewardship team, collaborating with Portfolio Managers, evaluates significant climate resolutions, particularly "Say on Climate" initiatives in high-impact sectors. In 2025, we voted on a total of 103 climate-related shareholder proposals where we have supported 70% of them. We have also voted against management at several oil and gas majors, including opposing the re-election of directors at ExxonMobil, BP, Chevron, Shell and TotalEnergies. We also voted for shareholder resolutions that we found to be appropriately targeted and aligned with driving meaningful climate action.

For example, we voted for a resolution at Shell requesting the company to disclose whether and how its demand forecast for LNG, LNG production and sales targets, and new capital expenditure in natural gas assets are consistent with its climate commitments.

At Equinor's AGM, we voted against a say-on-climate proposal from Equinor's board, which we found to be insufficiently ambitious. We supported a resolution calling on the board to assess whether Equinor's planned increase in oil and gas production – particularly in its international segment – is consistent with existing climate commitments. However, we also voted against several resolutions at Equinor's AGM which we deemed to be overly prescriptive and misaligned with business realities.

We will continue to use our voting rights in this way going forward, carefully evaluating each resolution to ensure it is aligned with effective mitigation of climate risk and protection of long-term shareholder value.

Policy Support

PCAF – Partnership for Carbon Accounting Financials

We have been actively involved with the Partnership for Carbon Accounting Financials (PCAF) since 2020, contributing to advancements in sustainable finance. In 2024, our ESG Methodology Lead, Kenn Urhøj, joined PCAF's working group on securitized and structured products, supporting the harmonization of GHG emissions measurement approaches. A significant development in 2025 was the adoption of the PCAF methodology for financed emissions from structured products and covered bonds. Having contributed to the development of this methodology, we have now incorporated related disclosures into our engagement efforts. In parallel, our Responsible Investment team has developed a methodology for covered bonds aligned with the Net Zero Asset Managers initiative, which is being implemented from 2025. We also continue to engage with the Covered Bond Council on industry disclosures in Europe and participate in their annual congress.

Covered Bond Engagement Campaign

Since 2022, we have engaged with issuers of covered bonds to incentivize improved disclosure of environmental metrics, including energy performance certificates (EPC), energy use (kWh/m²), and greenhouse gas emissions (tCO₂e/m²). By the end of 2025, we had engaged with a total of 70 issuers, including 17 new engagements during the year. While only limited progress has been observed in terms of increased ESG disclosures, this largely reflects the insufficient availability of underlying data among issuers. We remain committed to continuing these engagements to reinforce the importance of data availability and ESG integration in covered bonds. The information collected supports our measurement of sustainability levels in funds containing covered bonds and is also used in ESG assessments of issuers for security selection.

Outlook

As we look ahead to the coming year, we recognize that we manage client assets against a backdrop of unprecedented geopolitical uncertainty and shifting market dynamics. In times of uncertainty, both clients and businesses naturally adjust their short-term priorities. Despite these adjustments, climate change remains a physical reality, and the transition to a low-carbon economy continues to represent a significant structural shift in the global economy. This transition is driven by technological innovation, changing consumer preferences, resource efficiency imperatives, and energy security considerations – fundamental drivers that will continue to propel the low-carbon transition forward, even during periods of policy uncertainty. We continue to view unmitigated climate change as a significant investment risk and remain dedicated to supporting global efforts to limit warming in line with the Paris Agreement.

Biodiversity



As the largest Nordic asset manager, we acknowledge our crucial role in preventing biodiversity loss and directing capital towards nature-positive solutions.

Since signing the UN Principles for Responsible Investment in 2007, NAM has been actively engaging with portfolio companies on biodiversity and nature-related risks and opportunities. Biodiversity loss prevention is one of our four core focus areas, influencing investment decisions and potentially leading to engagement with high-risk companies. In 2025, 19% of our total engagements focused on biodiversity-related topics.

At NAM, we employ Encore to assess impact and dependencies across our portfolio, guiding our engagement selection process. This approach addresses biodiversity risks and opportunities, informs ESG research, and guides our portfolio managers. We also participate in investor initiatives to enhance biodiversity risk education and management, engaging with issuers and policymakers to support these efforts. Moreover, during 2024 we have onboarded Iceberg Data Lab as an additional biodiversity data provider to ensure quality and coverage in fulfilling our commitment to biodiversity and nature. We are continuously reviewing new data sets and data providers to enhance quality and biodiversity and nature-related assessments.

Our engagement campaigns

Nature Action 100

NA 100 is an investor initiative representing over 200 investors with more than USD 26.6 trillion in assets under management. The initiative focuses on key sectors crucial for reversing nature and biodiversity loss, targeting 100 companies identified as critical for biodiversity protection and restoration. NA 100 calls on companies to take six key actions: Ambition, Assessment, Targets, Implementation, Governance, and Engagement. To support investors in understanding and managing material nature-related financial risks and opportunities, NA 100 has developed a benchmark measuring progress on these six actions and related indicators.

During 2025, the engagement has proceeded with the focus on impacts and dependencies assessments, governance and target setting. We are actively involved in 8 different company engagement streams.

Investors Initiative on Hazardous Chemicals (IIHC)

The IIHC's primary objective is to mitigate the adverse impacts of hazardous chemicals and their associated financial risks. This initiative is particularly significant as chemical pollution ranks as the third greatest cause of biodiversity loss, surpassing even climate change in its impact. Ecologists warn that failing to address the negative effects of chemical pollution could severely undermine efforts to protect biodiversity and reverse current losses. We have been actively participating in five IIHC engagements with our investee companies, contributing to the initiative's goals and promoting more sustainable practices in the chemicals industry. We are members of the Steering Committee of the IIHC and during 2025 we were actively involved in four engagement streams, including as lead in two of these.

Finance for Biodiversity Pledge

In 2021, we strengthened our focus on biodiversity by joining the Finance for Biodiversity Pledge, committing to protect and restore biodiversity through our investments. We actively contribute to several working groups, including Engagement with Companies, Impact Assessment, and Target Setting, supporting guidance on company engagement, biodiversity measurement, and integration into financial decision-making. In 2024, we conducted our first biodiversity impact and dependency assessment, mapping holdings to the ENCORE dataset. We expanded this with sector-focused analysis and company-specific biodiversity footprint metrics using the Corporate Biodiversity Footprint (CBF) from Iceberg Data Lab. We also developed initial targets aligned with Finance for Biodiversity Foundation guidance, published in 2025, focusing on governance, education, internal policy development, and ongoing impact and dependency assessments.



Engagement Case: SBTN Target Setting

In 2025, we engaged with several companies on the topic of setting nature-related targets, with a particular focus on the Science Based Targets Network (SBTN). As long-term investors, we encourage companies to adopt forward-looking and, where possible, quantifiable targets to reduce environmental impact and support the transition to more sustainable business models. We emphasize that using recognized frameworks such as SBTi and SBTN enhances comparability, supports sector alignment, and enables companies to credibly communicate their ambitions to stakeholders.

Through multiple interactions during the year, we discussed SBTN target setting primarily with companies we consider potential frontrunners within their sectors. These companies operate in nature-relevant industries and have prior experience with climate target setting, including SBTi commitments. While we expected this experience to support progress on biodiversity targets, all companies indicated that they are not yet ready to commit beyond initial steps such as assessment and prioritization. The discussions highlighted that, although interest is growing, implementation remains at an early stage.

We observed that companies face several challenges in progressing towards SBTN targets. Key barriers include the complexity of methodologies, significant data requirements, and uncertainty around the business case for adopting nature-related targets. In some cases, companies also expressed concern that required actions could conflict with core business activities. Despite these challenges, we note ongoing developments in the SBTN framework, including new validation milestones introduced in 2025 to support companies in demonstrating progress.

Overall, this engagement has strengthened our understanding of how companies approach biodiversity target setting. While adoption remains limited, with only a few companies having publicly available SBTN targets, we will continue to engage with investees to encourage progress and support the integration of nature-related considerations into corporate strategies.

Policy Support

Investors Policy Dialogue on Deforestation (IPDD)

As a founding member of the Investors Policy Dialogue on Deforestation (IPDD), we are part of a global investor initiative established in 2020 to promote public policy dialogue aimed at halting deforestation in key regions. The initiative brings together 85 institutional investors across 21 countries, representing approximately USD 11.2 trillion in assets under management as of July 2025. We play an active role in the Management Committee and contribute to both the Brazil and Indonesia workstreams, engaging with public agencies and industry associations to advance responsible land use, forest management, and human rights.

IPDD continues to drive collaborative engagement and knowledge sharing across stakeholders. In 2025, key activities included co-organizing a side event with PRI Spring at PRI in Person, with participation from members of the Brazil and Consumer Countries working group and the Central Bank of Brazil. In Indonesia, IPDD partnered with the Tropical Forest Alliance of the World Economic Forum, the Indonesia Banking Federation, and the Indonesia Chamber of Commerce to host a series of webinars ahead of the Indonesia International Sustainability Forum. Through these efforts, IPDD reinforces its commitment to addressing deforestation risks and supporting sustainable investment practices globally.

Outlook

Despite the knowledge that almost all economic activities are linked to natural systems, both through their reliance on and through the impacts they have on nature, which can when unmanaged translate into financial losses, operational disruption, or negative impact on long term financial returns. We still observe few corporates adopting nature and biodiversity targets across our investee universe during 2025 but awareness of the issues are growing. To strengthen the investee companies resilience and safe guard shareholder value we will continue to encourage companies to align with relevant disclosure frameworks and ambitions to reduce their impact and dependencies. For 2026, we will continue our participation in key nature- focused engagement workstreams, both individually and collaboratively, while also prioritizing specific subthemes based on our impact and dependencies assessment of the investment portfolio. These includes, despite regulatory headwinds, the continued importance of robust deforestation and conversion policies, the phase out of hazardous chemicals and maintaining focus on emerging nature-related risks such as water consumption in the data center build out.

Human Rights



As responsible investors, we expect companies to comply with internationally recognized human rights principles and to prevent and manage their impact on human rights.

Our expectations apply both to the investee companies themselves and to their supply chains. At NAM, we screen all our holdings for breaches of international norms, identifying companies that are allegedly involved in breaches of international laws and norms on human rights and labor standards.

Collaborating with Corporate Human Rights Benchmark (CHRB) for impactful engagements

Corporate Human Rights Benchmark (CHRB) provides a free and publicly available comparative assessment of the world's largest publicly listed companies. It assesses company's policies, processes, and practices related to human rights. Between 2016 and 2020, we were a funding and steering committee member actively involved in the development of the CHRB, which has now been integrated with the World Benchmarking Alliance (WBA). During this time the CHRB produced five iterations of **in-depth data on corporate human rights practices in five high-risk sectors** – food and agricultural products, ICT and automotive manufacturing, apparel, and extractives – and 244 of the world's largest companies from 2018 to 2023. The indicators of the CHRB are grounded in the UN Guiding

principles on Business and Human Rights (UNGPs) and other international human rights standards.

In 2020 the CHRB was integrated with the World Benchmarking Alliance and its core human rights indicators are now integrated in WBA Social Benchmark covering 2000 companies. In the fall of 2024, after seven years and five iterations of benchmarks, a comprehensive review of the Corporate Human Rights Benchmark was conducted. The review showed that although progress among sectors and topics is uneven, 64% of companies have progressed on their human rights performance in five years.

In 2025, [research](#) by UNDP and WBA introduced an important new dimension to understanding corporate human rights performance. A five year quantitative analysis of 235 global firms confirmed that strengthening human rights policies and practices does not harm financial performance. Instead, the study finds a positive association between improved human rights performance and enhanced asset efficiency (Return on Assets), with no negative impact on operating margins, cash flows or market valuation.

Some of our Human Rights engagement initiatives





Our Engagements on CHRB assessments

Since 2017 NAM has been involved in a collaborative engagement targeting companies that score zero on human rights due diligence in the CHRB assessments. The collaborative engagement is coordinated by the Investor Alliance on Human Rights. The CHRB assessments and company scoring have also been used in our on-going engagements with some very large companies on human rights and workers' rights. Please find below some examples of engagement cases:

Starbucks: One successful example is Starbucks. The company has been involved in various labour disputes with staff in the US and the company's commitments on freedom of association and collective bargaining. We have had several meetings with the company and have used our voting power to support shareholder proposals asking for improved disclosure and performance in regard to worker's rights and vote against directors. In 2024 Starbucks finally came to an agreement with the unions to begin the discussions on a framework designed to achieve collective bargaining agreements and fair processes for union organizing. While the process is still ongoing, the company tells us they stay committed.

Three other examples of ongoing engagements on human and worker's rights are Amazon, Alphabet and Tesla. As these companies are progressing slowly, we escalated our engagement efforts in 2025:

Amazon: In 2025 we continued to escalate our Amazon engagement by refiling our shareholder proposal for an independent FOACB assessment—later excluded via SEC no-action—and opening structured dialogue with board committees. We co-signed an investor letter on the planned Quebec site closures, voted against the CEO at the AGM, and supported an independent AI human-rights audit proposal. Beyond labour rights, we broadened into digital rights by co-leading the Ranking Digital Rights engagement and requesting an HRIA for Amazon.com; engagement is ongoing.

Alphabet: At Alphabet (Google) we co-signed an investor letter for Alphabet's board asking the board to act on a shareholder proposal that we supported last year. The proposal asked the board to publish an independent third-party Human Rights Impact Assessment ("HRIA") to examine the actual and potential human rights impacts of Google's AI-driven targeted advertising policies and practices.

Tesla, Inc.: In 2025, we escalated our Tesla engagement beyond the 2024 actions by co-filing a labour-rights shareholder proposal for the 2025 AGM (subsequently omitted via SEC no-action); shifting to sustained management-level dialogue by maintaining regular outreach to independent directors, meeting directly with Tesla's CFO, General Counsel and IR and stepping up pre-AGM engagement through multiple investor webinars and forums. We also exercised our voting rights to oppose the proposed ~USD 1 trillion CEO pay package and several management items while supporting shareholder-rights proposals; our governance and human-rights engagement remain ongoing. Another issue we have addressed in our engagement with Tesla was their responsibility for sourcing cobalt. Key to the electric vehicle technology is the battery, containing a number of different minerals, including cobalt. To improve our understanding of industrial mining of cobalt in the Democratic Republic of Congo, we commissioned a field study from UK based RAID (Rights and Accountability in Development). The research was published in 2021: *The Road to Ruin? Electric vehicles and workers' rights abuses at DR Congo's industrial cobalt mines*. We have shared and discussed the report with Tesla.

Safeguarding Digital Rights in the Tech Era

The application of Human Rights is large and with technological developments, digital rights have become a major topic for us. Information and communication technology companies have immense control over the lives and identities of their users and must commit to respecting freedom of expression and privacy on their platforms and services – such human rights in online environments are often referred to as digital rights. Companies' implementation of that responsibility should align with the expectations outlined in the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

Our Engagements Campaigns

The Digital Rights & AI Accountability investor working group

This group focuses on digital rights risk which includes privacy, freedom of expression, democracy and security, worker's rights and child safety online. More than 30 investors participate in these engagements with tech companies. The group also collaborates with civil society stakeholders and digital rights experts.

UNICEF – Children and the Digital Environment

UNICEF provides policy support in the "Children and the Digital Environment" collaborative engagement. This engagement is a Swedish investor engagement targeting Swedish companies, with the goal to support UNICEF on addressing child online safety. In 2025, the initiative advanced materially by engaging seven digital sector companies in structured dialogues, establishing child reference groups to ground investor priorities, conducting sector wide maturity assessments, and convening two multistakeholder roundtables, thereby strengthening governance, due diligence practices and collaborative pathways for integrating children's rights into digital business models.

Outlook

The demand for cobalt and other critical minerals will increase dramatically with the transition to a low carbon economy and so will the environmental and human rights challenges. We believe we can play a constructive stewardship role in the development of a mining sector that meets the needs of society and companies in a responsible manner. We will also continue our efforts on sectors and companies that source and use critical minerals. Privacy issues and workers' rights are topics we will continue to raise with the tech sector.

Good Governance



In our good governance focused active ownership activities, we aim to safeguard shareholder value and sound management of ESG risks and other risk types in portfolio companies.

Our goal is to protect and enhance long-term returns for shareholders. We believe a sound corporate governance structure is essential for creating sustainable, long-term shareholder value. As stated in our RI Policy, we expect companies affected by these governance-related risks to ensure that they report on how they manage the risks and impacts adequately:



Corruption:

We expect companies to take a proactive approach towards corruption and responsible payments and ensure that adequate measures are implemented, and transparency is being elevated.



Diversity:

We expect the board to be diversified in terms of gender, experience, age and other factors.



Tax:

We expect our portfolio companies to have a tax policy that outlines the company's approach to taxation and how it aligns with the overall business strategy. We also expect companies to have a robust tax governance and management framework in place, to pay taxes where economic value is created and to provide country-by-country reporting.

Exercising Voting Rights in Numbers

In 2025, we voted on around 3400 shareholder meetings, voting on thousands of agenda items covering critical issues including climate change, diversity, remuneration, and capital mandates. Although we experienced a slight decrease in

participation compared to 2024 due to shifts in fund composition, we nonetheless exceeded our objective of voting in over 90% of our investee companies' meetings. While we generally aligned with management proposals, we exercised our discretion to vote against 11% of agenda items when they either conflicted with our unitholders' best interests or where against our Corporate Governance Principles.

During 2025, we voted on 1035 shareholder proposals. We supported 554 or 63% of these proposals. Shareholder proposals on corporate governance received the largest share of support from us. We supported 75 out of 103, or 73% of the climate and environmental shareholder proposals.

Board composition

One of the most important tasks of a company's board is to provide strategic direction and monitor and evaluate top management, and in our view this aspect can be compromised if the CEO of the company also serves as chair of the board. Over the last couple of years, we have supported many shareholder proposals to split the roles CEO/chair. We regularly engage with companies to explain this voting rationale, and we try to be as proactive as possible to get the companies, to alter the board proposals to be in line with our expectations. In 2025, NAM voted against the combination CEO/chair at 318 shareholder meetings.

NAM believes that a board should be diversified in terms of gender, experience, age and other factors. A board should preferably consist of at least 40% of either gender. The board should also have a majority of independent directors, and they should have sufficient time to dedicate to board work.

Remuneration

NAM takes a positive stance towards reasonable share-based incentive programs for employees in investee companies. Incentive programs should incentivize long-term ownership of shares and be designed to include requirements of own investment, and financial as well as ESG performance criteria. We have long promoted simple pay packages with a few targets and our aim is to identify the structures that are misaligned with long-term value for shareholders. In 2025, and mainly at US companies, we voted against proposed executive remuneration in which performance criteria in share-based incentive programs were inadequate or non-existent, combined with excessively generous outcomes. We also actively urge companies to link material ESG targets to executive remuneration.

This topic is on the agenda at most of our engagement meetings as we expect companies to develop targets tied to the long-term business strategy. It is important that the proposed criteria are material, relevant, transparent and that the targets are challenging. In high-impact sectors, we attach particular importance to climate related targets to narrow the gap between climate commitments and implementation of activities. In 2025 we voted against 1539 board proposals related to executive compensation.



Voting Case: Long-term incentive programmes initiative

Together with other Nordic investors, Nordea addressed more than 160 companies/holdings in the four Nordic countries ahead of the annual general meetings in 2026, with a clear message of our expectations on the company's long-term incentive programs. We made it clear that we expect that the programmes should consist of a fair division of financial, operational and ESG KPIs. We also stated that the work with the programmes should be conducted by the Board, or the remuneration committee, and that larger shareholders should be addressed well in advance of the annual general meetings where the programmes are taken. This initiative has resulted in meetings directly with the companies discussing the structure and layout of the programmes.

Capital management

In line with our Corporate Governance Principles, we generally oppose authorizations to issue shares that would comprise more than 10% of a company's capital without preferential rights for existing shareholders. This aims to protect our unitholders from undue share dilution. Nevertheless, we may consider supporting such proposals if the company provides compelling justification. In practice, NAM has voted against board proposals when companies suggested either excessive dilution or overly long mandates for share issuance without sufficient grounds.

Additionally, we have seen a growing trend of companies proposing multi-year authorizations for share issuance or repurchase. Although this practice is common in certain countries and sectors internationally, NAM believes that authorizations from annual general meetings should only be valid until the next annual general meeting, effectively limiting them to one year. Consequently, we actively engage with companies to encourage the adoption of one-year mandates

Shareholders Rights

Nomination committees

Cooperation with other shareholders is crucial for effectively influencing companies. This collaboration can take various forms, including working groups, ownership committees, and owner-led nomination committees in markets where such practices are the norm. We believe that participating in owner led nomination committees provides an excellent opportunity to influence board composition and drive meaningful change, particularly in areas such as gender diversity on boards for example. During 2025, we joined 46 Nomination Committees.

Co-filed shareholder proposals

When voting on existing agenda items at Annual General Meetings (AGMs) or engaging with companies, doesn't provide sufficient leverage or impact, we may resort to filing or co-filing shareholder proposals. This approach allows us to directly address issues at companies' general meetings. In 2025, we co-filed one shareholder resolution.

Shareholder Proposal: Amazon Inc.

In December 2025 we decided we would again join as co-filers of the proposal on freedom of association for Amazon's 2026 AGM. The proposal was changed somewhat compared to last year in an effort to meet the updated SEC's guidance on shareholder proposals 14-8a rules. A big change is that for the 2026 proxy season SEC has said that it will not review no action requests by companies. This means that Amazon can exclude the proposal from the proxy material without an opinion from the SEC.

In a meeting in January 2026, Amazon informed the co-filers that it will not allow the shareholder proposal and it will not be included in the proxy material for Amazon's AGM in May 2026. We are planning another meeting in March.

Outlook

In the coming year, we anticipate an increased emphasis on securing minority shareholder protections and enhancing diversity and inclusion initiatives. Our governance outlook includes an expectation that boards should ideally comprise at least 40% representation from each gender. Additionally, we expect boards to make progress towards aligning their strategies with the Paris Agreement goals, demonstrating a clear commitment to addressing climate-related risks and opportunities.



Outlook 2026

Beyond the “vibes”: Focusing on resilience to navigate long-term goals vs. near-term upheaval.

Investors can forgive if they find the events of 2025 and early 2026 to be outside the range of even their most broad-ranging scenario analyses: In many ways, the hallmark of the World that we all find ourselves in now is its utter lack of predictability. Political upheaval, war and uncertainty about the very foundations of policy frameworks and the so-called rules-based international order make it exceedingly demanding for both companies and investors to predict and plan for specific pathways. In the face of such uncertainty, economic actors face a stark choice: Either they can fall back to purely tactical decision-making, reacting to short-term, headline signals – “vibes” – as if there were no longer such a thing as the long term. Or, they can revert to first principles, keep their eyes on their stated values and convictions and pragmatically build the resilience that will allow them to outlast their competitors. We at Nordea Asset Management believe that the latter strategy is the winning one, and we are seeing the best companies and investors adopting it.

The current environment is not one where crises can be addressed one by one. Rather, we are facing emergencies being triggered on an ongoing basis, one heaped upon the other without any being truly resolved. In such a polycrisis World, looking beyond the so-called vibes is important. For example, relying only on media headlines, one could get the impression that the energy transition has fully stalled in the US, that the EU has given up on its sustainability ambitions and that both EV’s and sustainable finance are on their last legs. It is not that such headlines are completely pulled out of the thin air – both political wavering, resistance and “backlash” are real, and we are very far from the Glasgow COP days of widespread consensus (at least rhetorically) on the need to act on climate change. Indeed, many aspects of sustainability have become culture war issues, as political actors position themselves as defenders of so-called common sense, against what they

frame as excessive focus on both on social issues like diversity and on the “Climate Agenda”.

What these actors miss is that a lot has happened – technologically and in terms of the economics – since the Glasgow COP of 2021. Perhaps most importantly, solar and wind, coupled with the rise of battery energy storage systems (or BESS) have become the cheapest – and by far the fastest – way to increase electricity generating capacity, while also insulating user from volatility in fossil fuel prices. This has led to upside-down situations such as that of the CEO of the major US Utility NextEra, under political pressure to increase the company’s use of fossil gas, stating to a Politico conference audience³⁶ that “We need [renewables as] a bridge to 2032 when that gas shows up, and when that gas shows up it’s going to be three times as expensive as it’s ever been”. Another anecdote reflective of this trend

36) <https://www.reuters.com/sustainability/climate-energy/nextera-ceo-says-renewables-needed-bridge-expanding-gas-power-2025-06-10/>.

is the decision of Alphabet to power a new Minnesota data center with 1.6 GW of renewables, backed by what is described as the world's largest battery system by energy capacity.

More general examples of how the economics today favour renewables include that the state of Texas – by no means a paragon of sustainability for sustainability's sake – in 2025 surpassed also-growing California as the US leader in grid-scale solar generation, while the United States as a whole added a record 50 GW in wind, solar and battery capacity. Politics can still get in the way, as witnessed by the travails of several large offshore wind projects, but the longer-term economic logic seems clear. And meanwhile, China continues to add renewables faster than the rest of the rest of the World combined, driven in large part by a desire to reduce its reliance on imported fossil fuels.

As for Europe, events are moving fast at the time of writing. But also here, there is a dichotomy between headlines reflecting the political posturing by parts of the European Parliament and some Member States jostling for short-term relief on one hand, and the steady long-term commitment of the Commission and the majority of the Council, backed by most long-term investors on the other. While the simplification drive prompted by the 2024 Draghi report and reflected in the so-called Omnibus packages continues, there is a growing recognition that simplification and deregulation are not synonymous – especially if that deregulation would take a form that rewards laggards and by extension punishes the very companies that have diligently begun their transition and taken the lead in the economic transition of Europe. This added nuance to the debate is in part the result of policy engagement by both companies and long-term investors, including Nordea Asset Management, in co-operation with the Institutional Investors Group on Climate Change³⁷ and others.

One area where the long-term focus of the Commission and investors such as Nordea Asset Management are manifesting itself is in the discussion about European Union's Emissions Trading System (ETS), which is the core the Union's climate policy and is up for review in mid-2026. While not the only motivation, the ETS is an essential driver for high-emitting companies' decarbonisation plans as it creates a very visible financial motivation for the needed investments. Another example is the EU Deforestation Regulation, which – even if delayed and with minor amendments – is now scheduled to come into force from the end of 2026. In the same way, the changes to the plan for phasing out sales of new Internal Combustion Engine cars by 2035 were minor, and the new Sustainable Finance Disclosure Regulation may well again kickstart the sale of ESG-themed investment products to retail investors (noting that among long-term, institutional investors, the demand for Responsible Investing expertise has remained strong throughout). Although the expansion of the ETS to road transport and buildings has been delayed for one year, and a number of EU member countries have asked for relief in the face of gas price spikes following US and Israeli military action against Iran, the most material change from the review is likely to be a sharper

targeting of the allocation of the substantial ETS revenues, and a tightening of the Carbon Border Adjustment Mechanism (CBAM), which is important to ensure European companies' competitiveness vis-à-vis imported products. Importantly, the substantial revenues from the ETS have so far often been used by member states for purposes that were at best peripheral to the energy transition. Going forward, these expenditures will likely be more targeted and can be an important supplement to other subsidies to transitioning companies and new technologies agreed in the latest EU Budget, as can a mechanism awarding additional free ETS to companies that demonstrate progress in their transition program.

The ETS and the CBAM and the decarbonisation they promote are at the center of the EU's climate ambitions, which were confirmed in November 2025 as a 90% emissions reduction target by 2040. The Paris Agreement's Nationally Determined Contributions by other major economies such as Japan, Canada and Brazil under the Climate COP process play similar roles, as do those of China and economies across Asia and South America. But with the rapidly dropping prices of renewable energy – supplemented by nuclear power – climate ambitions are no longer the only driver for decarbonisation. Indeed, facilitated by the ready availability of renewables, energy security and general resilience have been able to take center stage as drivers of decarbonisation against the backdrop of the latest geopolitical developments. This is not less so with the expected growth in energy demand from data centers as well as the general electrification of the World economy.

At the time of the 1973 oil crisis, there was no alternative to fossil fuels. Following the invasion of Ukraine by Russia, it has taken time to wean Europe off pipeline-delivered gas. LNG was for a while seen as a viable alternative, also for developing and middle-income countries with limited domestic supply of traditional energy. With the US-Israel-Iran war, that assumption too is proving doubtful. It seems ironic that exactly at the moment when broadly defined Sustainability goals are being so loudly questioned by vested interests, the imperatives of energy security and industrial resilience are taking over the job of pushing the world towards decarbonisation. We would add to this that the logic of diversity and inclusion, and the human rights issues raised by an increased global incidence of armed conflict cannot just be wished away, but must be addressed with structured and well-argued frameworks.

Companies and investors with a long-term outlook will take note.



Eric Pedersen
Head of Responsible
Investments

37) <https://www.iiqcc.org/>.

Appendices



Implementation of Principles for Responsible Investment (PRI)

Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.

- We have a RI policy that is applicable to all our products³⁸
- We have a dedicated ESG research function whose analytical process is subject to constant development. We run and maintain an internal ESG scoring platform
- We source ESG research from brokers and specialist research providers
- We collaborate with academic and other researchers to further knowledge on ESG
- We run a series of workshops internally on ESG issues, and we teach investment professionals how to integrate them in their analysis
- We work closely with PMs running ESG-enhanced products to enhance the integration of ESG into their investment processes

Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.

- We publish a RI policy which extensively covers active ownership and has the Principles at its core
- We vote our holdings and frequently use the vote as an engagement tool
- We have a track record of filing, co-filing or supporting shareholder resolutions with a long-term ESG focus
- We have extensive engagement capabilities and an award-winning engagement program
- We are active participants in policy development, regulation and standard setting through bodies such as the SASB Investor Advisory Group, TCFD pilot group, and Swedish nomination committees
- We participate in numerous collaborative engagement initiatives, such as Climate Action 100+ and the Corporate Human Rights Benchmark (CHRB)
- Investment managers are encouraged to include ESG engagement in their reporting

Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.

- We advocate for standardised reporting on ESG issues and are active and prominent supporters of SASB
- We consistently encourage companies to include ESG issues in their annual reports
- We are a part of the TCFD pilot group, and systematically promote better climate disclosure across industries

Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.

- We include indicators related to the Principles in performance evaluation and incentives
- We extensively collaborate with service providers to help them meet our ESG requirements
- We support regulatory and policy developments that promote the Principles

Principle 5: We will work together to enhance our effectiveness in implementing the Principles.

- We collaborate with selected fellow investors to enhance our practices
- We participate and lead various collaborative initiatives, see list under Principle 2

Principle 6: We will each report on our activities and progress towards implementing the Principles.

- Our RI annual report contains a section that explains how ESG issues are integrated in investment practices
- Our RI annual report contains a section that details active ownership activities
- We report on achievements related to the Principles in our RI annual report
- We seek to determine the impact of integration activities throughout our portfolios, for example by benchmarking carbon footprint and SDG exposure

³⁸) The RI Policy applies to all Nordea-branded investment strategies, with the exception of any holdings by such strategies in external funds and index derivatives and selected discretionary mandates on clients' request.

RI Initiatives

NAM is a member and signatory in several RI initiatives and forums.

Investor statements and letters

EU policy – Investor joint statement on the European Commission’s “Omnibus” legislation: Nordea Asset Management supported a joint [investor statement coordinated by PRI, IIGCC and Eurosif](#) regarding the European Commission’s proposed “Omnibus” package. The statement, signed by more than 160 investors representing €6.6 trillion in assets under management, highlighted concerns that the proposed legislative changes could weaken key elements of the EU’s sustainable finance framework, including the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD). Investors emphasised that maintaining a stable and ambitious regulatory framework is critical for investment certainty and for supporting the transition to a net-zero economy.

IIGCC collective investor statement on the EU Methane Emissions Regulation: Nordea Asset Management joined 44 institutional investors representing more than €4.85 trillion in assets in calling on the European Commission, the European Parliament and EU Member States to maintain and swiftly implement the EU Methane Emissions Regulation as adopted. The [statement](#) emphasised that regulatory certainty is essential for long-term investment planning and for enabling companies and investors to manage methane-related risks and emissions effectively.

CERES investor statement on methane regulation: We supported a CERES-led investor statement calling for the implementation of performance-based methane regulations and timely policy action to improve the reliability, transparency, and comparability of methane emissions data.

ICGN letter to the Governor of Texas on proxy advisory regulation: In June 2025, Nordea Asset Management supported [a letter coordinated by the International Corporate Governance Network \(ICGN\)](#) to Texas Governor Greg Abbott regarding Senate Bill 2337 on proxy advisory services. The letter expressed concerns that the proposed legislation could interfere with investors’ ability to fulfil their fiduciary duties and exercise effective proxy voting. It also highlighted that imposing additional disclosure requirements on proxy advisors could increase costs for investors and potentially reduce market efficiency and the competitiveness of Texas-based companies. Proxy advisory services play an important role in supporting institutional investors in exercising their voting rights efficiently, while investors retain full control over their voting decisions and policies.

Investor initiatives

Access to Medicine Index

Access to Medicine Index analyses the top 20 research-based pharmaceutical companies on how they make medicines, vaccines and diagnostics more accessible in low- and middle-income countries. It highlights best and innovative practices, and areas where progress has been made and where action is still required.

Canada Climate Engagement (CEC)

Climate Engagement Canada (CEC) is a collaborative engagement initiative targeting the country’s heaviest emitters. It is co-ordinated by Canada’s Responsible Investment Association, the Shareholder Association for Research and Education (Share) and Ceres. Nordea Asset Management joined CEC in 2023 as the first international supporter.

Carbon Disclosure Project (CDP)

Nordea is a signatory to the CDP, a project that aims to collect and share information on greenhouse gas emissions and climate change strategies. We are also represented on the CDP Water Advisory Council.

Children and the Digital Environment

It is collaborative investor engagement focusing on Swedish investors and Swedish companies gaming, telecoms and social media and with support from UNICEF Sweden as the expert on child-related aspects.

China Climate Engagement Initiative

The China Climate Engagement Initiative (CCEI) aims to promote green, low-carbon and high-quality transition of companies in China, through facilitating institutional investors in leveraging active influence and engaging in broader and more sophisticated dialogues with industries. This initiative is supported by the PRI.

Climate Action 100+

Nordea Asset Management is a signatory of the Climate Action 100+, a collaborative five-year global initiative led by investors to engage with the world’s largest corporate greenhouse gas emitters to improve governance on climate change, curb emissions and strengthen climate-related financial disclosures.

Diversity Project Europe

Since 2021 NAM has been a part of Diversity Project UK which is a cross-company initiative championing a truly diverse, equitable and inclusive UK investment and savings industry. The project is a non-profit organisation structured with a board, advisory council and steering group. Kasper Elmgreen, CIO of Fixed Income & Equities, has taken a seat in the advisory council which is a group responsible for defining and setting out the strategy of the project.

Farm Animal Investments Risk and Return (FAIRR)

We've joined the FAIRR's collaborative investor engagement on sustainable proteins which asked a number of global food companies to diversify their protein sources to drive growth, increase profitability, reduce risk exposure, and improve their ability to compete and innovate in a resource-constrained world.

Finance for Biodiversity Pledge

The Finance for Biodiversity Pledge is a commitment of 84 financial institution, representing € 12.6 trillion in AuM, to protect and restore biodiversity through their finance activities and investments. The Pledge consists of 5 steps financial institutions promise to take: 1. Collaborating and sharing knowledge, 2. Engaging with companies, 3. Assessing impact, 4. Setting targets, and 5. Reporting publicly on the above before 2025.

Global Impact Investing Network (GIIN)

The Global Impact Investing Network (GIIN) convenes impact investors to facilitate knowledge exchange, highlighting innovative investment approaches, building the evidence base for the industry and producing valuable tools and resources.

Guidance of Responsible Investment in Defence

We are members of the steering committee of this multistakeholder initiative aiming at the development, promotion and adoption of an internationally recognised and credible set of Guidance for Responsible Investment in Defence-related companies supported by practical implementation tools.

Hållbart Värdeskapande (Sustainable Value creation)

Hållbart värdeskapande, is a collaborative initiative between Swedens targets investors which was initiated already in 2009. The overall aim has been to acknowledge the importance of enhancing listed companies sustainability agenda and practices.

IFRS Sustainability Alliance (ISSB; SASB and TCFD)

We are founding member of the ISSB Investor Advisory Group (IIAG) - previously SASB's Investor Advisory Group (IAG) - and our head of Responsible Investments is currently member of the IIAG. As part of this work we lead disclosure engagements with companies, and demonstrate how SASB standards are used by investors in different forms. In addition, we are an official supporter of TCFD which provides a foundation for climate-related financial disclosures for all companies, aimed at encouraging companies to report on the climate-related risks and opportunities that are relevant to their business activities.

Impact Finance Belgium

Impact Finance Belgium is a Belgian membership association (founded in 2023) that brings together investors, foundations, banks, and public actors to grow impact investing in Belgium. It doesn't invest itself; instead it mobilizes and coordinates the eco-system through research, policy advocacy, working groups, and

events to increase the share of capital delivering measurable social and environmental impact.

Institutional Investor Group on Climate Change (IIGCC)

The Institutional Investors Group on Climate Change provides investors with a collaborative platform to encourage public policies, investment practices and corporate conduct that address long-term risks and opportunities associated with climate change.

Institutional Owners Association (Sweden)

The Institutional Owners' Association (IÄF) was formed in 2003 and is a collaboration between Swedish institutional owners. IÄF is a non-profit association with the purpose of safeguarding the interests of its members as institutional owners of the Swedish stock market by promoting a good development of self-regulation in the stock market. This is primarily done by the IÄF participating in the Swedish stock market's self-regulatory bodies in appropriate forms and, where appropriate, appointing or nominating persons to be members of the board of directors or participate in other activities.

International Corporate Governance Network (ICGN)

The International Corporate Governance Network's mission is to promote effective standards of corporate governance and investor stewardship to advance efficient markets and sustainable economies worldwide.

Investor Action on Antimicrobial Resistance (IAAMR)

Investor Action on Antimicrobial Resistance is a coalition between the Access to Medicine Foundation, the FAIRR Initiative, the Principles for Responsible Investment and the UK Government Department of Health and Social Care to galvanise investor efforts to address global antimicrobial resistance.

Investor Alliance for Human Rights (IAHR)

We are a member of this investor initiative, with more than 210 investors, focusing on the investor responsibility to respect human rights, corporate engagements that drive responsible business conduct, and standard-setting activities that push for robust business and human rights policies. The collaborative investor engagement is based on the Corporate Human Rights Benchmark (CHRB) assessments. Nordea was a funding and steering committee member of the CHRB between 2016-2020 and is a lead investor of the investor initiative together with Aviva and APG.

Investor Initiative on Hazardous Chemicals (IIHC)

The Investor Initiative on Hazardous Chemicals (IIHC) is an investor-led initiative that encourages chemical companies to increase transparency and stop the production of persistent chemicals. The aim of the IIHC is to reduce adverse impacts from hazardous chemicals and thereby exposure to the financial risks to which they are linked.

Cecilia Fryklöf, our Climate & Nature head, is member of the Steering Committee of the Investor Initiative on Hazardous Chemicals (IIHC – supported by ChemSec).

Investor Leadership Network (ILN)

The Investor Leadership Network aim is to facilitate and accelerate collaboration by leading institutional investors to drive the transition to a sustainable and inclusive global economy. As the leading network of investors taking action for people, planet and prosperity, the CEO-led group is composed of 13 global institutional investors representative of six countries, with over US\$10 trillion in assets under management.

Investor Policy Dialogue on Deforestation (IPDD)

Nordea is a founding and management committee member of the Investors Policy Dialogue on Deforestation (IPDD) initiative, which was formally established in July 2020. The objective of the IPDD initiative is to ensure long-term financial sustainability of investments by promoting sustainable land use and forest management and respect for human rights. We are part of the IPPD Brazil Working stream as well as the IPDD Indonesia Working stream.

Nature Action 100

In 2023, NAM joined more than 200 institutional investors – representing \$26.6 trillion in assets under management, in Nature Action 100, an Investor focusing on companies “systematically important” to reverse nature and biodiversity loss. The initiative has entered its engagement phase and we participated in the letter that was sent to 100 companies, who have been identified as critical for biodiversity protection and restoration.

Net Zero Asset Managers Initiative (NZAM)

In December 2020, we became an early joiner, committing to support the goal of net zero emissions by 2050, in line with the global efforts to limit warming to 1.5 degrees through our investments.

Net Zero Engagement Initiative (NZEI)

The Net Zero Engagement Initiative aims to support investors aligning their portfolios with the goals of the Paris Agreement, through engagement of a range of companies not covered by Climate Action 100+'s focus list. This includes more companies who are heavy users of fossil fuels, contributing to demand for its products.

Operating Principles for Impact Management (OPIM)

NAM has signed the Operating Principles for Impact Management (OPIM). We are joining 180+ signatories representing \$580B in AuM with this pledge to integrate impact throughout the investment process in alignment with 9 principles.

Partnership for Carbon Accounting Financials (PCAF)

In 2020, we joined this global partnership of financial institutions launched in 2015 aiming develop a harmonised approach to measure and disclose GHG emissions associated with loans and investments. A harmonised accounting approach provides financial institutions with guidance in developing risk management and regulatory compliance as well as a starting point required to align their portfolio with the Paris Agreement.

Pharmaceutical Supply Chain Initiative Advisory Panel

Since 2018 NAM is on the Advisory Panel of this industry-led organization aimed at establishing and promoting responsible practices for pharma supply chains. The dialogue and relationship with PSCI is part of our engagement with the world's largest pharma companies to address pharma water pollution in India, one of the largest drug manufacturing hubs in the world. WE are a member of the advisory board, as the only asset manager.

Principles for Responsible Investment (PRI)

PRI is an investor initiative to incorporate ESG in investment processes. We were an early adopter of RI and signed the PRI as early as 2007.

ShareAction Chemicals Working Group

A collaborative engagement initiative, supported by the NGO ShareAction, which sets out to engage key European chemicals companies to accelerate their climate transitions. Use investor action to engage with key European chemical companies to accelerate their alignment with 1.5-degree Celsius pathways through high-impact, sector specific asks backed by in-depth research.

Swedish Investors for Sustainable Development

Partnership comprising 20 of the largest financial actors on the Swedish market and the Sweden's government agency for development cooperation (Sida) formed in 2016 and works to explore the role of investors, risks and opportunities related to the 2030 Agenda. Nordea joined in 2020.

Transition Pathway Initiative

We are a supporter of the Transition Pathway Initiative (TPI), which is a global, asset-owner led initiative assessing companies' preparedness for the transition to a low carbon economy.

UN Environmental Programme Finance Initiative

We signed the UNEP FI in 1994. It is a partnership between UNEP and the global financial sector to mobilise private sector finance for sustainable development. We also became a member of the UNEP FI Banking Committee in 2018 and now since August 2020 holds the Scandinavian seat on the UNEP FI Banking Board. In 2021, Nordea Group's CEO Frank Vang-Jensen was invited to join the UNEP FI Leadership Council.

UN Global Compact

Initiated by the UN to encourage businesses to align their strategies and operations with ten universal principles building on UN conventions in the fields of human rights, labour standards, environment and anticorruption. We became a signatory to the UN Global Compact in 2002, first through Nordea Bank Finland. From December 2004 the coverage was extended to the whole Group.

World Benchmarking Alliance (WBA)

Between 2016 and 2020, we were a funding and steering committee member of the Corporate Human Rights Benchmark (CHRB) initiative which has now been integrated with the World Benchmarking Alliance (WBA). Since 2017, we have been part of WBA Allies representing organisations working at global, regional, and local levels to shape the private sector's contributions to achieving the SDGs.

Significant votes 2025

Company Name	Summary of agenda item	Nordea vote	Rationale	Outcome of vote %	Implication of outcome
TotalEnergies	Re-elect Lise Croteau as Director	AGAINST	We voted against due to the lack of progress on climate expectations	8.7% voted AGAINST*	Escalation of our ongoing engagement
Chevron	Elect Director Enrique Hernandez, Jr	AGAINST	We voted against due to the lack of progress on climate expectations	5% voted AGAINST*	Escalation of our ongoing engagement
Exxon	Elect Director Lawrence W. Kellner	AGAINST	We voted against due to the lack of progress on climate expectations	2.9% voted AGAINST*	Escalation of our ongoing engagement
Ford Motor Company	Report on Efforts to Reduce GHG Emissions in Alignment with Net Zero Goals	FOR	We support the proposal as the company's current disclosures provide insufficient transparency to properly assess the associated risks and opportunities	6.3% FOR	We continue to support proposals on increased reporting on emissions
AAK	Approve Long-Term Incentive Program for Key Employees	AGAINST	We do not support the proposal as it does not protect or enhance long-term shareholder value creation	Proposal did not pass	A new revised program was to be presented by the company at a later meeting
South32 Ltd.	Approve Climate Change Action Plan 2025	FOR	We support the management proposal as it is in line with our expectations on climate	90% voted for the management proposal	We continue to support proposals on climate
The Procter & Gamble Company	Report on Efforts to Reduce Plastic Use	FOR	We support the proposal as the company's current disclosures provide insufficient transparency to properly assess the associated risks and opportunities	13.9% FOR	We will continue to support proposals on increased transparency
Chevron	Commission Third Party Assessment of Implementation of Human Rights Policy	FOR	We support the proposal as it is in line with our expectations on human rights	10.5% FOR	We will continue to support proposals on human rights
Meta Platforms, Inc.	Report on Hate Targeting Marginalized Communities	FOR	We support the proposal as the company's current disclosures provide insufficient transparency to properly assess the associated risks and opportunities	14.6% FOR	We will continue to support proposals on increased transparency
Novo Nordisk	Election of four new board members	FOR	We supported the proposals	Proposal passed. Voting % not disclosed	The proposed candidates are all suitable candidates for serving on the board

* According to Swedish regulations, discharge has not been approved if more than 10% vote against. Actual numbers of votes are not disclosed from Swedish General Meetings.

Reporting and transparency

Responsible Investment at NAM

[Responsible Investment Microsite](#)

[Nordea Responsible Investment Policy](#)

[Corporate Exclusion List](#)

[Dedicated Sustainable STARS Microsite](#) (including quarterly ESG Reports and monthly factsheets)

[Dedicated Thematic Sustainable Solutions Microsite](#) (including quarterly ESG Reports and monthly factsheets)

[Dedicated Climate Expertise Microsite](#)

Nordea Group Sustainability

[Nordea Group Annual Report](#)

Corporate Governance and Active Ownership

[Nordea Corporate Governance Principles](#)

[Voting Portal](#)

Climate

[Annual Climate Report](#)

[Paris Aligned Fossil Fuel Policy](#)

Biodiversity

[Biodiversity Report](#)

SFDR information and reporting

[Principal Adverse Impact statement](#)

[Sustainability risk integration into remuneration](#)

[Sustainability risk integration into investment decision-making process](#)

[Sustainability-related disclosures](#) (Product-Specific Article 10 documents)

[Glossary](#)

For more information:



Nordea
ASSET MANAGEMENT

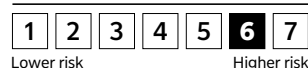
ESG Sustainable STARS Funds – risks for European Investors

May 2025

Nordea 1 – Asian Sustainable Stars Equity Fund

LU2152927971 (BP-USD) / LU2152928607 (BI-USD)

Risk indicator



Nordea 1 – Emerging Sustainable Stars Equity Fund

LU0602539602 (BP-USD) / LU0602539354 (BI-USD)

Risk indicator



Nordea 1 – European Corporate Sustainable Stars Bond Fund

LU1927797156 (BP-EUR) / LU1927797586 (BI-EUR)

Risk indicator



Nordea 1 – European High Yield Sustainable Stars Bond Fund

LU1927798717 (BP-EUR) / LU1927799012 (BI-EUR)

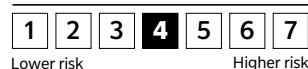
Risk indicator



Nordea 1 – European Small and Mid-Cap Sustainable Stars Equity Fund

LU0417818407 (BP-EUR) / LU0417818316 (BI-EUR)

Risk indicator



Nordea 1 – European Sustainable Stars Equity Fund

LU1706106447 (BP-EUR) / LU1706108732 (BI-EUR)

Risk indicator



Nordea 1 – Global High Yield Sustainable Stars Bond Fund

LU2638553375 (BP-USD) / LU2638554936 (BI-USD)

Risk indicator



Nordea 1 – Global Sustainable Stars Equity Fund

LU0985320562 (BP-USD) / LU0985319804 (BI-USD)

Risk indicator



Nordea 1 – Nordic Sustainable Stars Equity Fund

LU1079987720 (BP-EUR) / LU1079987134 (BI-EUR)

Risk indicator



Nordea 1 – North American High Yield Sustainable Stars Bond Fund

LU1937720214 (BP-USD) / LU3058685580 (BI-USD)

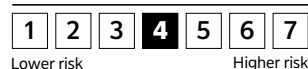
Risk indicator



Nordea 1 – North American Sustainable Stars Equity Fund

LU0772958525 (BP-USD) / LU0772957808 (BI-USD)

Risk indicator



Nordea 1 – US Corporate Sustainable Stars Bond Fund

LU1933824283 (BP-USD) / LU1933824366 (BI-USD)

Risk indicator



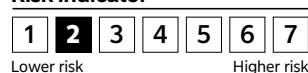
Sustainable Thematic Funds – risks for European Investors

May 2025

Nordea 1 – European Corporate Sustainable Labelled Bond Fund

LU2797543282 (BP-EUR) / LU2797543365 (BI-EUR)

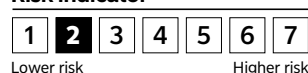
Risk indicator



Nordea 1 – European High Yield Sustainable Climate Bond Fund

LU3076184517 (BI-EUR)

Risk indicator



Nordea 1 – European Sustainable Labelled Bond Fund

LU2794622899 (BP-EUR) / LU2794622113 (BI-EUR)

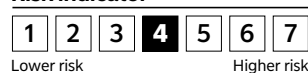
Risk indicator



Nordea 1 – Global Climate and Environment Fund

LU0348926287 (BP-EUR) / LU0348927095 (BI-EUR)

Risk indicator



Nordea 1 – Global Impact Fund

LU2355697216 (BI-USD) / LU2355687059 (BP-USD)

Risk indicator



Nordea 1 – Global Social Empowerment Fund

LU2257592514 (BP-USD) / LU2257592787 (BI-USD)

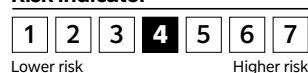
Risk indicator



Nordea 1 – Global Sustainable Listed Real Assets Fund

LU2500361329 (BP-USD) / LU2500361675 (BI-USD)

Risk indicator



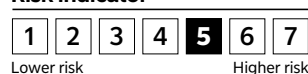
Other Funds – risks for European Investors

May 2025

Nordea 1 – Global Climate Transition Engagement Fund

LU2463526074 (BP-USD) / LU2463525423 (BI-USD)

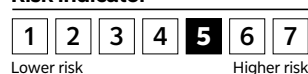
Risk indicator



Nordea 1 – Global Diversity Engagement Fund

LU1939214778 (BP-USD) / LU1939215403 (BI-USD)

Risk indicator



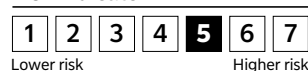
BetaPlus Enhanced Sustainable Funds – risks for European Investors

May 2025

Nordea 2 – BetaPlus Enhanced Emerging Markets Sustainable Equity Fund

LU2206802311 (BI-USD)

Risk indicator



Nordea 2 – BetaPlus Enhanced European Sustainable Equity Fund

LU2206802311 (BI-USD)

Risk indicator



Nordea 2 – BetaPlus Enhanced Global Developed Sustainable Equity Fund

LU2832959154 (BI-USD)

Risk indicator



Nordea 2 – BetaPlus Enhanced Global Sustainable Equity Fund

LU1909042456 (BP-USD) / LU1909041722 (BI-USD)

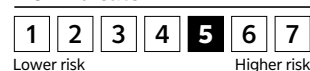
Risk indicator



Nordea 2 – BetaPlus Enhanced Global Sustainable Small Cap Equity Fund

LU2206802071 (BI-USD)

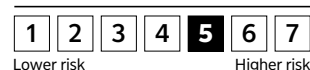
Risk indicator



Nordea 2 – BetaPlus Enhanced Japanese Sustainable Equity Fund

LU1648401740 (BI-JPY)

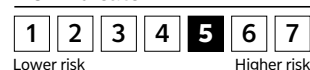
Risk indicator



Nordea 2 – BetaPlus Enhanced North American Sustainable Equity Fund

LU2206802741 (BI-USD)

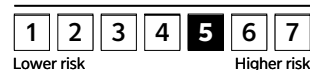
Risk indicator



Nordea 2 – BetaPlus Enhanced Swedish Sustainable Equity Fund

LU2122930915 (BP-SEK) / LU2171094183 (BI-SEK)

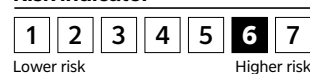
Risk indicator



Nordea 2 – Global Edge Sustainable Equity Fund

LU3004339365 (BI-USD)

Risk indicator



Please see below the list with the most recurrent risks for each of our **ESG STARS & Thematic funds**.

Equity funds

Derivatives risk: Small movements in the value of an underlying asset can create large changes in the value of a derivative, making derivatives highly volatile in general, and exposing the fund to potential losses significantly greater than the cost of the derivative.

Depository receipt risk: Depository receipts (certificates that represent securities held on deposit by financial institutions) carry illiquid securities and counterparty risks.

Emerging and frontier markets risk: Emerging and frontier markets are less established, and more volatile, than developed markets. They involve higher risks, particularly market, credit, legal and currency risks, and are more likely to experience risks that, in developed markets, are associated with unusual market conditions, such as liquidity and counterparty risks.

Securities handling risk: Some countries may restrict securities ownership by outsiders or may have less regulated custody practices.

Taxation risk: A country could change its tax laws or treaties in ways that affect the fund or shareholders.

Country risk – China: The legal rights of investors in China are uncertain, government intervention is common and unpredictable, and some of the major trading and custody systems are unproven.

Bond funds

Derivatives risk: Small movements in the value of an underlying asset can create large changes in the value of a derivative, making derivatives highly volatile in general, and exposing the fund to potential losses significantly greater than the cost of the derivative.

Prepayment and extension risk: Any unexpected behaviour in interest rates could hurt the performance of callable debt securities (securities whose issuers have the right to pay off the security's principal before the maturity date).

Credit risk: A bond or money market security, whether from a public or private issuer, could lose value if the issuer's financial health deteriorates.

For the complete list of the risks related to the funds, please refer to the section "Risk Descriptions" in the Prospectus and the PRIIPs KIDs of the respective funds.

Risks relevant to the strategies and funds presented, please consult the prospectus for a full description of the risks.

Sustainable Finance Disclosure regulation (SFDR) classifications:

Article 8: Products promoting environmental and/or social characteristics, with investee companies following good governance practices.

Article 9: Products with sustainable investment as their objective, meeting "do no significant harm" and good governance requirements.

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The above mentioned offering documents and the list of shares registered are available upon request to Nordea Investment Funds S.A. or from our service agent Larrain Vial Activos S.A. Administradora General de Fondos, El Bosque Norte Av. 0177, 3rd floor, Santiago, Chile. For non-registered shares: (i) the offer is made pursuant to the CMF Rule 336; (ii) the offer deals with securities that are not registered in the Securities Registry (Registro de Valores) or in the Foreign Securities Registry (Registro de Valores Extranjeros) kept by the CMF, which are, therefore, not subject to the supervision of the CMF; (iii) given that the securities are not registered, there is no obligation for the issuer to disclose in Chile public information about said securities; and (iv) the securities may not be publicly offered as long as they are not registered in the corresponding Securities Registry. 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