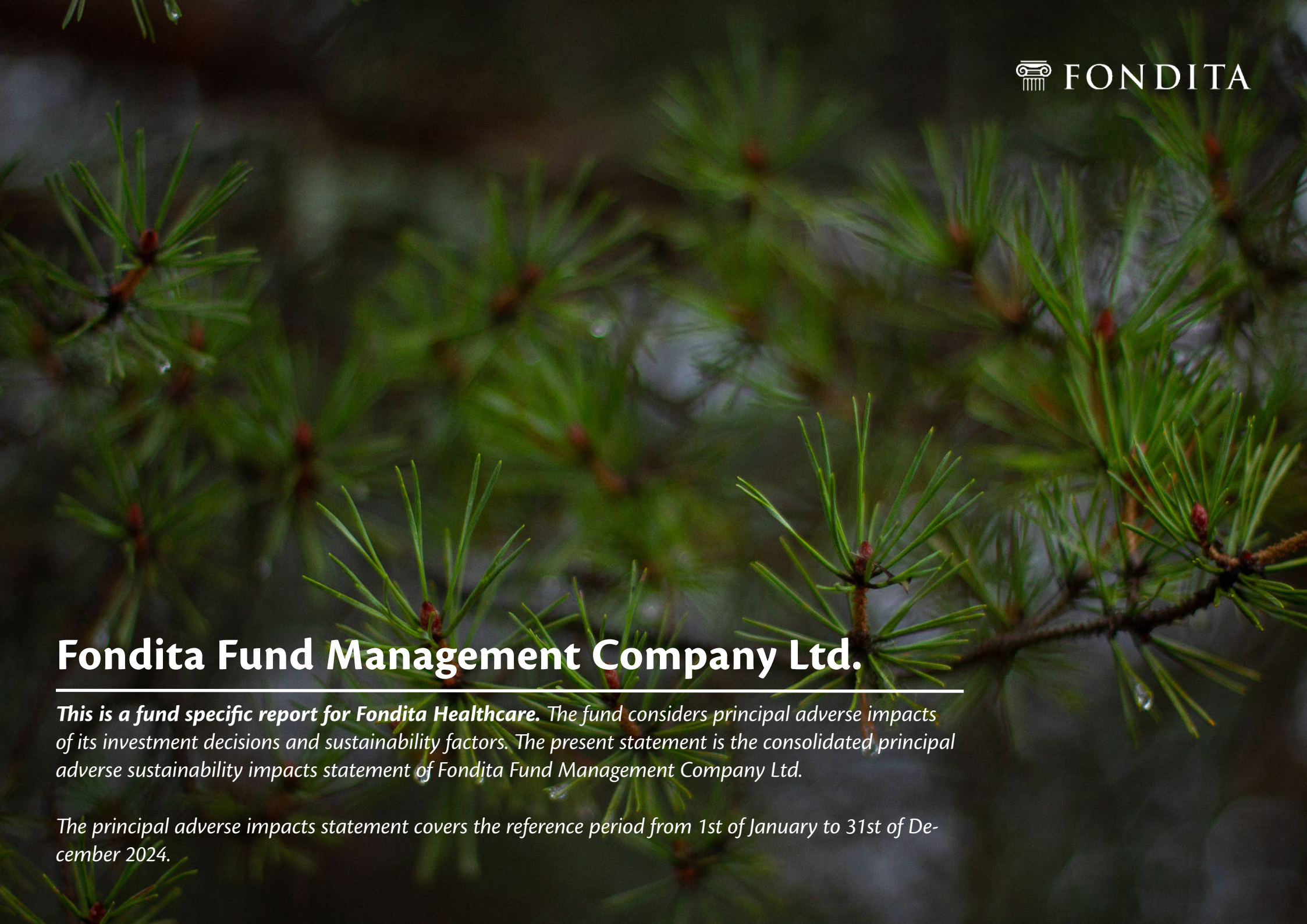

FONDITA

Fondita Fund Management Company Ltd.

This is a fund specific report for Fondita Healthcare. *The fund considers principal adverse impacts of its investment decisions and sustainability factors. The present statement is the consolidated principal adverse sustainability impacts statement of Fondita Fund Management Company Ltd.*

The principal adverse impacts statement covers the reference period from 1st of January to 31st of December 2024.

Principal adverse sustainability impact statement

Date: The information for the reference period of 2024 has been procured through MSCI ESG Research April 28 2025, which has been combined with manually sourced data for the reference period 2024 from the holdings not covered by third party databases May 15 2025.
Financial Market Participant: Fondita Fund Management Company Ltd.

Summary

This principle adverse sustainability impact statement is for our fund Fondita European Micro Cap. Fondita European Micro Cap considers principal adverse impacts of its investment decisions and sustainability factors. This statement is for the reference period 1st of January 2024 to 31st of December 2024. The trend of the development of the principle adverse impacts have since the first reported reference year (2022) remaind fairly the same. Carbon emissions have declined steadily in the fund with no larger anomalities in mandatory or voulentary reported principle adverse sustainability impacts. There has not been any international norm breaches during the holding period.

A more detailed summary (in all relevant languages) is available in our consolidated report for the whole fund management company. We publish fund level reporting voulentary since we are of the opinion it's more useful for the investors to be able to compare between funds, instead of only looking at the company level principle adverse impact statements.

Descriptions of the principal adverse impacts on sustainability factors

The mandatory indicators definied by the SFDR are set out in the Table below. Additionally to the mandatory indicators, two voulentary have been chosen a) one climate indicator " Investments in companies without carbon emission reduction initatives" b) one social indicator " Number of identified cases of severe human rights issues and incidents in the Table below. For each indicator relevant, we have included descriptions on actions that we have taken and actions we plan to take on the relevant principle adverse impact. We have reported for the reference period from 1st of January 2024 to 31st of December 2024.

The report has been published 16.06.2025.

Principal adverse sustainability impact statement

Mandatory indicators applicable to investments in investee companies

Climate and other environment-related indicators

	Adverse Sustainability Indicator	Metric	Impact 2024 [year n]	Impact 2023 [year n-1]	Explanation	Actions taken, and actions planned and targets set for the next reference period
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	69.36	110.33	Sum of portfolio companies' Carbon Emissions - Scope 1 (metric tons) weighted by the portfolio's value of investment in a company and by the company's most recently available enterprise value including cash.	Fondita excludes (revenues over 5%) fossil fuel-based industries in the investment processes in accordance with Fondita's Responsible Investment Policy and Fondita's Exclusion list. Fondita signed the Net Zero Asset Managers initiative in 2022 and set targets in February 2023. Fondita commits to reduce 70% of portfolio emissions by 2030. The target currently includes Scope 1 and Scope 2 emissions. Fondita is well on track to reach the goals which can be reviwed in our TCFD aligned Climate Report published in H2/2024. The initative, Net Zero Asset Manager has on it's own accord been deactivated and the initative has informed it's under review of how to continue since the start of 2025. The goals of all signatories have been removed from the homepage. However, Fondita is dedicated to continue to work towards our targets and we will follow the development on the initative, before we make a decision on how to continue depending on Net Zero Asset Manager initatives decision.
		Scope 2 GHG emissions	80.14	129.89	Sum of portfolio companies' Carbon Emissions - Scope 2 (metric tons) weighted by the portfolio's value of investment in a company and by the company's most recently available enterprise value including cash.	
		Scope 3 GHG emissions	2874.11	4801.20	Sum of portfolio companies' Total Emissions Estimated - Scope 3 (metric tons) weighted by the portfolio's value of investment in a company and by the company's most recently available enterprise value including cash.	
		Total GHG emissions	2980.61	5041.42	The total annual Scope 1, Scope 2 and estimated Scope 3 GHG emissions associated with the market value of the portfolio. Companies' carbon emissions are apportioned across all outstanding shares and bonds (based on the most recently available enterprise value including cash).	

	Adverse Sustainability Indicator	Metric	Impact 2024 [year m]	Impact 2023 [year n-1]	Explanation	Actions taken, and actions planned and targets set for the next reference period
Greenhouse gas emissions	2. Carbon footprint	Carbon footprint	85.70	102.13	The total annual Scope 1, Scope 2, and estimated Scope 3 GHG emissions associated with 1 million EUR invested in the portfolio. Companies' carbon emissions are apportioned across all outstanding shares and bonds (based on the most recently available enterprise value including cash).	Additionally, Fondita screens and monitors all holdings if they have an carbon reduction initative impelemented. The progress is reported in the Annual Review of Responsible Investments and in our quarterly ESG fund reports. Fondita screens all holdings for equality and diversity policies implemented by the company. Fondita reaches out to companies which do not have one as part of our Engagement Policy.
	3. GHG intensity of investee companies	GHG intensity of investee companies	427.35	442.73	The portfolio's weighted average of its holding issuers' GHG Intensity (Scope 1, Scope 2 and estimated Scope 3 GHG emissions/EUR million revenue).	
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0%	0%	The percentage of the portfolio's market value exposed to issuers with fossil fuels related activities, including extraction, processing, storage and transportation of petroleum products, natural gas, and thermal and metallurgical coal.	
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	69.72%	75.34%	The portfolio's weighted average of issuers' energy consumption and/or production from nonrenewable sources as a percentage of total energy used and/or generated.	
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector NACE Code A (Agriculture, Forestry and Fishing)	N/A	N/A	The portfolio's weighted average of Energy Consumption Intensity (GwH/million EUR revenue) for issuers classified within relevant NACE Code.	

	Adverse Sustainability Indicator	Metric	Impact 2024 [year m]	Impact 2023 [year n-1]	Explanation	Actions taken, and actions planned and targets set for the next reference period
Greenhouse gas emissions		NACE Code B (Mining and Quarrying)	N/A	N/A		
		NACE Code C (Manufacturing)	0.08	0.08		
		NACE Code D (Electricity, Gas, Steam and Air Conditioning Supply)	N/A	N/A		
		NACE Code E (Water Supply; Sewerage, Waste Management and Remediation Activities)	N/A	N/A		
		NACE Code F (Construction)	N/A	N/A		
		NACE Code G (Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles)	N/A	N/A		
		NACE Code H (Transportation and Storage)	N/A	N/A		
		NACE Code L (Real Estate Activities)	N/A	N/A		

	Adverse Sustainability Indicator	Metric	Impact 2024 [year n]	Impact 2023 [year n-1]	Explanation	Actions taken, and actions planned and targets set for the next reference period
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	0%	0%	The percentage of the portfolio's market value exposed to issuers' that reported having operations in or near biodiversity sensitive areas and have been implicated in controversies with severe or very severe impacts on the environment.	
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.01	0.01	The total annual wastewater discharged (metric tons reported) into surface waters as a result of industrial or manufacturing activities associated with 1 million EUR invested in the portfolio. Companies' water emissions are apportioned across all outstanding shares and bonds (based on the most recently available enterprise value including cash).	
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	1.14	1.48	The total annual hazardous waste (metric tons reported) associated with 1 million EUR invested in the portfolio. Companies' hazardous waste is apportioned across all outstanding shares and bonds (based on the most recently available enterprise value including cash).	

INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS

	Adverse Sustainability Indicator	Metric	Impact [year m]	Impact [year n-1]	Explanation	Actions taken, and actions planned and targets set for the next reference period
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0%	0%	The percentage of the portfolio's market value exposed to issuers with very severe controversies related to the company's operations and/or products.	Fondita does not invest in companies which have violations of the UN Global Compact principles and OECD guidelines for multinational enterprises.
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0%	0.33%	The percentage of the portfolio's market value exposed to issuers that are not signatories in the UN Global Compact.	Fondita completes monthly screenings of all holdings for violations of UN Global COmpact and OECD guidelines for multinational enterprises.
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	9.71%	8.52%	The portfolio holdings' weighted average of the difference between the average gross hourly earnings of male and female employees, as a percentage of male gross earnings.	Fondita screens all holdings for equality and diversity policies implemented by the company. Fondita reaches out to companies which do not have one as part of our Engagement Policy.
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	40.10%	39.68%	The portfolio holdings' weighted average of the ratio of female to male board members.	Fondita screens all holdings for equality and diversity policies implemented by the company. Fondita reaches out to companies which do not have one as part of our Engagement Policy.
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0%	0%	The percentage of the portfolio's market value exposed to issuers with an industry tie to landmines, cluster munitions, chemical weapons, or biological weapons. Note: Industry ties includes ownership, manufacturing, and investments. Ties to landmines do not include related safety products.	Fondita excludes all controversial weapons (any tie) according to our exclusion list.

Other voluntary indicators for principal adverse impacts on sustainability factors

Emmisions and human rights

	Adverse Sustainability Indicator	Metric	Impact 2024 [year n]	Impact 2023 [year n-1]	Explanation	Actions taken, and actions planned and targets set for the next reference period
	15. Investments in companies without carbon emission reduction initatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement	30.70%	20.33%	The percentage of the portfolio's market value exposed to issuers without a carbon emissions reduction target aligned with the Paris Agreement.	The share of Fondita's investments with an carbon reduction target has actually increased since the last reference period, however the share which have aimed at aligning with the Paris Agreement has decreased.
	16. Number of identified cases of severe human rights issues and incidents	Number of cases of severe human rights issues and incidents connected to investee companies on a weighted average basis	0%	0%	The total number of severe and very severe human rights concerns controversies associated with EUR 1 million invested in the portfolio. It is calculated as the weighted average of Number of Severe and Very Severe Human Rights Concerns Controversies per company divided by the company's most recently available enterprise value including cash (EVIC).	The fund did not encounter any controversies or concerns regarding servere human rights issues and incidents because of of negative exclusion methodology which excludes international norm breaches such as UN Global Compact and OECD guidelines for multinational enterprises.

Description of policies to identify and prioritise principal adverse impacts on sustainability factors

Fondita monitors principle adverse impacts for anomalities and to safeguard our investments meet a cetain minimum ESG standard. Our minimum ESG standard includes positive and negative screening, in the form of exclusion (negative) and best performance (positive) screens. By applying certain screens to the investments before our investment decision, we limit our exposure to negative impacts on our principle adverse impacts on sustainability factors. Furthermore, we monitor the principle adverse impact, and when we identify anomalities further analysis is applied to investigate potential high negative impacts on environmental and social factors. Depending on the reults, this can lead to engagement and ultimately divestment.

The margin of error with our methodologies is always dependant on data availability from our third party ESG data providers as well as the information we can retrieve manually. Our margin of error is fairly low, as we report information which we recieve directly from the holdings or information which third party data providers have gathered and verified. Currently we have around 75-80% coverage on our datapoints and the largest datagap is for our Micro cap funds, which have smaller companies with limited publicly disclosed or available on request ESG information. This is because the regulation of company level reporting is still lagging behind the regulation which applies to the financial markets, and there is a situation of assymetrical information where asset managers have to report on data which smaller companies do not have to report on. We do our best to continue to improve our data coverage, however this gap in data available is noted in our methodologies as potential causes to error, which we have taken into account in our mitigating actions. More information about our data quality, data coverage and processes in our sustainability related disclosures.

Data sources used for the procurement of the principle adverse impact data is mainly MSCI ESG research, combined with manually procured information of principle adverse impact data (with the same metrics) from companie. Additional information on the data sources and methodologies used is available on request, such as the specific screening criteria.

You can find more information about our responsible investment practices and reports to identify and prioritise principle adverse impacts in our reporting section on the homepage. The following documents are relevant, our Responsible Investment Policy (latest version update March 2025), Fondita Prospectus (latest version update May 2025) and Annual Review of Responsible Investments (latest version update April 2025) The latest versions have been approved by senior management of Fondita Fund Management Company and implemented by the Head of ESG. The policies and related documents are updated at least annually.

Engagement policies

Fondita engages accordingly to our Engagement Policy. The engagement policy considers active ownership, voting, collaborative engagement and committment to advance two topics as part of our enagement strategy, carbon reduction targets and equality & diversity policies implemented which also has a positive effect to reduce the principle adverse impacts. The Table above mentions the PAI which are relevant for the Engagement Policy.

References to international standards

Fondita invests in companies which adher to international standards and norms. Fondita screens companies before we invest in them as well as perform a monthly screening during the holding time to ensure compliance with the international standards and norms. The following international standards are included:

- UN Global Compact, relevant fo PAI 10 and PAI 11
- OECD Guidelines for Multinational Enterprises, relevant to PAI 10 and PAI 11
- ILO conventions on labour standards, relevant to PAI 10
- UN Guiding Principles on Business and Human RIghts, relevant to PAI 10 and 11

We have used the Net Zero Investment Framework (NZIF) which is a Paris aligned (1.5 degree) methodology to set up our Net Zero Asset Manager iniative targets. Our Climate Report (published H2/2024) is available on our homepage for more information about our progress towards the targets, our forward looking climate scenario analyis and much more. These international standards are relevant for PAI 1-6 (Greenhouse gas emissions).

Historical comparison

A historical comparison of the period reported on with the previous period reported on is included in the above table.

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