

## ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="radio"/> <b>Yes</b>	<input type="radio"/> <input checked="" type="radio"/> <b>No</b>
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective: ___ %</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective: ___ %</b>	<input checked="" type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 75 % of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <input type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b>

### What environmental and/or social characteristics are promoted by this financial product?

- Stable and sustainable production of uniform quality agricultural commodities for food production
- Supporting the global food chain
- Improving and maintaining the fertility of and used for production and increasing the carbon sequestration
- Reducing emissions from agriculture and land degradation
- Reducing water consumption

### What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

- The amount of carbon sequestered to the soil
- Reduction of amount of water used in agriculture production
- Reduction of the amount of fertilizers and pesticides used in agriculture

### What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

- Stable and sustainable production of uniform quality agricultural commodities for food production
- Maintenance of farmland fertility
- Reducing emissions from agriculture and land degradation

### How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

- The investment strategy is to invest in companies engaged in sustainable agricultural production

### How have the indicators for adverse impacts on sustainability factors been taken into account?

- The underlying funds report regularly and comprehensively on the progress of the Key Performance Indicators (KPI) set for the investment targets. Addressing and avoiding adverse impact on sustainability are among such KPI indicators.

**How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

Investments and holdings locate mainly in the United States, Canada and Australia, and they operate in accordance with local legislation. The underlying funds have comprehensive principles of sustainable investing, according to which these issues are controlled, measured, reported and aimed at development.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

**Does this financial product consider principal adverse impacts on sustainability factors?**

Yes, how: In selecting target funds into which the product will invest in, a positive emphasis is placed on managers who take into account the harmful sustainability effects and measure and report their activity and results.

No

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund targets to achieve an attractive risk-adjusted return by owning the highest quality and sustainably managed farmland, and diversify holdings between countries, operating styles and crop types.

**What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

During the investment analysis and fund selection process, a special attention is paid to monitoring and analyzing the relevant aspects of sustainable investing.

**What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

10-15 %

**What is the policy to assess good governance practices of the investee companies?**

- Pre-investment: underlying funds are required to have written sustainable investment policy, as part of it guidelines related to good governance.
- Post investment: continuous monitoring of the respective areas and comprehensive reporting

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

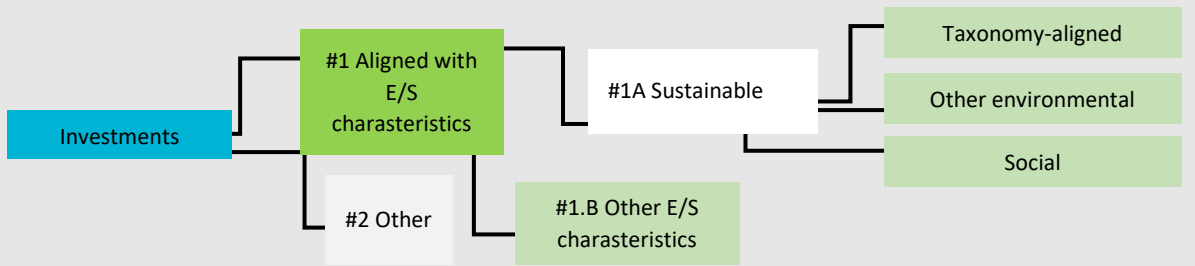
**What is the asset allocation planned for this financial product?**

- 1.A: 80 %
- 1.B: 10 %
- 2: 10 %

Asset allocation describes the share of investments in

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Fund is not expected to use derivatives

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Underlying funds and investments are mainly not EU-regulated investment targets. Despite this, all investment targets follow the principles of sustainable investment.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?**

Yes

- In fossil gas
- In nuclear energy

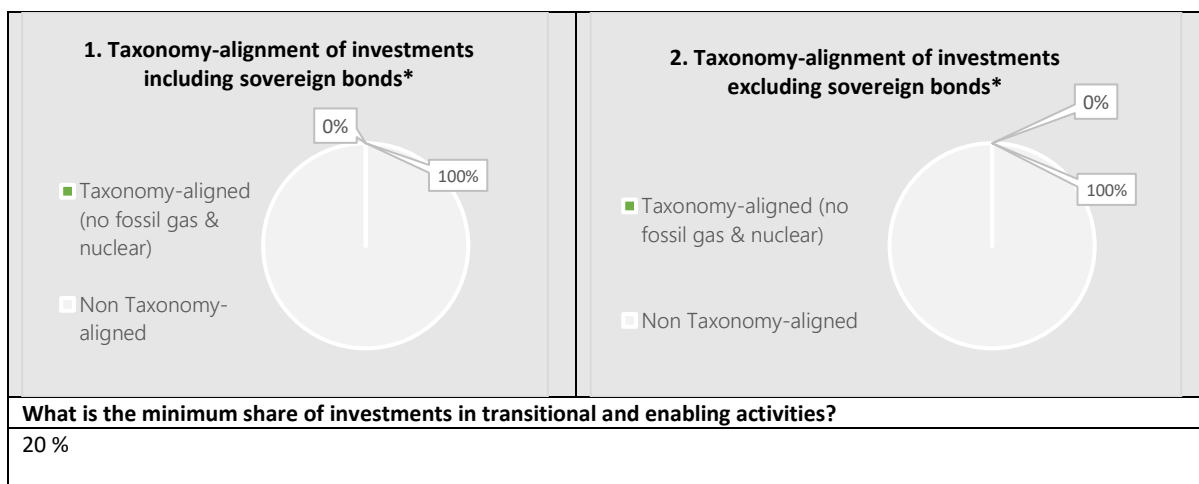
No

**The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**

To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



	<p><b>What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?</b></p> <p>80 %</p>
	<p><b>What is the minimum share of socially sustainable investments?</b></p> <p>0 %</p>
	<p><b>What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?</b></p> <p>Liquidity management, i.e. cash and listed farmland investments. With regard to listed farmland investments, the aim is to demand a commitment to the sustainable use of farmland and consideration of environmental impacts.</p>

<p><b>Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?</b></p> <p><b>No</b></p>
<p><b>How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?</b></p> <p>Not relevant</p>
<p><b>How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?</b></p> <p>Not relevant</p>
<p><b>How does the designated index differ from a relevant broad market index?</b></p> <p>Not relevant</p>
<p><b>Where can the methodology used for the calculation of the designated index be found?</b></p> <p>Not relevant</p>

<p><b>Where can I find more product specific information online?</b></p> <p>More product-specific information can be found on the website: <a href="https://b10.fi/">https://b10.fi/</a></p>
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are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.