



**PUBLIC TRANSPARENCY REPORT**

**2023**

**Ilmarinen Mutual Pension Insurance Company**

Generated 15-12-2023

# About this report

PRI reporting is the largest global reporting project on responsible investment. It was developed with investors, for investors.

PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The public Transparency Reports, which are produced using signatories' reported information, provide accountability and support signatories to have internal discussions about their practices and to discuss these with their clients, beneficiaries, and other stakeholders.

This public Transparency Report is an export of the signatory's responses to the PRI Reporting Framework during the 2023 reporting period. It includes the signatory's responses to core indicators, as well as responses to plus indicators that the signatory has agreed to make public.

In response to signatory feedback, the PRI has not summarised signatories' responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options selected by the signatory are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

## Disclaimers

### Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

### Data accuracy

This document presents information reported directly by signatories in the 2023 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented.

The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

# Table of Contents

Module	Page
SENIOR LEADERSHIP STATEMENT (SLS)	4
ORGANISATIONAL OVERVIEW (OO)	8
POLICY, GOVERNANCE AND STRATEGY (PGS)	32
CONFIDENCE-BUILDING MEASURES (CBM)	63

# SENIOR LEADERSHIP STATEMENT (SLS)

## SENIOR LEADERSHIP STATEMENT

### SENIOR LEADERSHIP STATEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1	CORE	N/A	N/A	PUBLIC	Senior Leadership Statement	GENERAL

#### Section 1. Our commitment

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

Why does your organisation engage in responsible investment?

Ilmarinen's mission is to invest pension assets in a profitable, secure and responsible manner to meet the required pension commitments in the future. In our view taking environmental, social and governance aspects into account in investment operations improves our investment decision making and portfolio management. As a long term investor, we are committed to a sustainable low carbon future, which is reflected in our commitment to be carbon neutral by the end of 2035. We acknowledge that economic activities have both negative and positive impacts on people and the planet. For this reason we actively manage ESG risks associated with investments and identify investment opportunities that contribute to sustainable development. We are committed to continuously learn and develop our approaches on systematic sustainability challenges such as loss of biodiversity and natural capital.

What is your organisation's overall approach to responsible investment?

Integrating responsible investing across all investment activities and assets classes is an integral part of all our investment operations. This approach is established in our Responsible Investment (RI) Policy and put into practice through our Responsible Investment (RI) Guidelines. Our Board of Directors annually approves an investment plan that guides the investment activities and monitors its implementation. Responsible investment is integrated into in this process as well. In addition, the Board of Directors approves the RI Policy and reviews annual reporting. Our Responsible Investment Executive Committee meets minimum once in each quarter and sets the strategic direction to our responsible investment approaches. CEO, CIO and other executives are members of the Committee. We acknowledge that we can make a positive contribution in promoting responsibility and sustainability through active ownership of our own direct investments and through selected asset managers. Our stewardship approaches are described in our Ownership Policy which is part of our RI Policy and further detailed in our RI Guidelines. Through active ownership, discussions and dialogue, we can engage with our investees and highlight ESG-related risks and opportunities. Compliance with international norms is a starting point of our RI approach. National legislation is not always strong enough from a responsibility perspective, and thus we insist that our investees also comply with international norms. We expect our investees to comply with, for example the principles of the UN Global Compact and the UN Declaration of Human Rights. Based on our experience, greater benefits can be achieved through engagement processes than exclusion. However, if engagement processes are not successful we exclude companies that have breached international norms. Our exclusion policy includes tobacco, controversial weapons and recreational cannabis. In addition, we exclude companies engaged in thermal coal mining and those companies that expand thermal coal based power production.

Taking climate action both in considering climate risk and in seeking exposure to climate solutions are considered a commercially beneficial investment strategy for Ilmarinen. Our pension liabilities span decades and we are an investor with a long-term view. We consider that robust climate action by our investments is aligned with long-term shareholder value protection and generation. The only way to mitigate risks is to effect change in the real economy. Thus, we want to facilitate real-world emission reductions through investing also into transition of high emitting economic activities. This transition is necessary to enable the global economy to decarbonize. We aim to choose best performers in each sector.

We address variety of sustainability and responsibility themes in specific documents, such as Climate Roadmap, Biodiversity Roadmap and Human Rights Policy and Ownership Policy.

## Section 2. Annual overview

- Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
- Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
  - refinement of ESG analysis and incorporation
  - stewardship activities with investees and/or with policymakers
  - collaborative engagements
  - attainment of responsible investment certifications and/or awards

### Expanding climate action

We are committed to net zero 2035. In 2021 we established Climate Roadmaps for direct listed equity and domestic real estate investments. In 2022 we expanded our Climate Roadmap coverage also to direct listed corporate bonds and international real estate. We advanced towards our interim climate goals, for example in direct listed equity and corporate bonds the carbon footprint decreased 33% and 28%, respectively, relative to 2020 baseline. We took variety of actions based on the steps laid out in our climate roadmaps, including studying and choosing climate benchmark for our direct listed equity investments and testing how climate scenarios affect return and solvency scenarios.

In our real estate investments our climate approach covers the entire building life cycle and we integrate also circular economy and biodiversity goals. The key aspects in our design guidelines are reuse and zero waste planning, system-level sustainability, i.e. replaceability of spare parts and the generation and use of renewable energy. Collaboration with authorities, construction companies, designers and consultants plays a key role. Our domestic real estate carbon footprint decreased significantly (34 %) relative to baseline.

#### Addressing biodiversity

Similarly as climate risk, we view that biodiversity loss has the potential to affect investment portfolios across asset classes, sectors, and geographical regions. As a long-term risk averse investor, it is important for us to consider long term risks related on biodiversity and natural capital. In 2022 we took action by publishing our approach on biodiversity in form of a Biodiversity Roadmap that captures our current understanding, key tools and plans until 2025 to address biodiversity.

#### Key stewardship activities

We participate in the General Meetings of all the Finnish listed companies that we are invested in. In 2022, we significantly expanded our activity in foreign General Meetings. We started using a voting service and voted in the General Meetings of 184 foreign companies. We use voting policy that specifically takes sustainability issues into account. In 2022, we participated in 32 Nomination Committees where we promote the responsible and professional governance and management of the companies and consider diversity as one key factor in a well-functioning Board of Directors. One of the most important engagement related co-operations for us is Nordic Engagement Cooperation (NEC), in which we engage with investees together with other Nordic pension companies. In 2022, we focused, in line with NEC's new strategy, on human rights issues especially in the mining sector and related value chains and continued engagement related to sustainable water usage. In other engagement activities we engage with many international companies and sectors as part of larger investor groups and initiatives, such as Climate Action 100+, which engages with the world's biggest polluters, and Investor Alliance for Human Rights (IAHR), which enables international human rights engagement especially in high-risk areas and sectors. Our service provider carries out engagement work in many themes, and the engagement processes are backed by a large number of investors. Moreover, the service provider carries out proactive engagement work under several themes. In addition to actual engagement processes, we actively raise any concerns with the companies or discuss our expectations for them regarding sustainability. We also actively participate in the companies' materiality definitions and comment on their sustainability strategies.

### Section 3. Next steps

- What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

The next two years Ilmarinen will focus on further integration of ESG across all asset classes, on the basis of continuous improvement and capacity building. The ESG integration is focused on enhanced governance and information sharing, modernizing ESG data and analytical infrastructure, ESG specific remuneration mechanisms and ESG focused training. Ilmarinen will continue to further develop and implement its climate roadmap with the aim to reach carbon neutral portfolio by end of 2035, in alignment with e.g. the goal of the Finnish Government. We are also looking to further develop our active ownership and stewardship approaches across asset classes, our approaches on human rights, biodiversity and natural capital and on positive impact and SDGs.

#### Climate action

We are committed to net zero portfolio by 2035 and continue to expand our climate roadmaps to cover more asset classes and instruments. We will also set targets for emissions from our own operations. We continue engagement and dialogue with our investees and service providers on the need to set climate targets, to measure, monitor and report. We are also analysing the potential to commit to Science Based Targets. We continue to focus further efforts in building understanding and practical approaches on climate solutions and on transition. For our domestic real estate investment we aim to align all new buildings constructed with the EU taxonomy.

In 2023 Ilmarinen will continue a strong focus on climate change. From 2023 onwards we will introduce climate benchmark indices for our direct listed equity investments, affecting over 17 billion EUR. We will also increase the climate emphasis of our ETF investments affecting over 5 billion EUR. We consider these actions to be a significant step towards achieving our net zero 2035 goal.

#### Nature Action

We have published a Biodiversity Roadmap that establishes our approach on addressing biodiversity, natural capital and ecosystem services. Our goals by 2025 are to continue portfolio level analysis to build understanding on biodiversity and natural capital related risks and impacts of our investments, build approach for enhanced due diligence on high-risk sectors and economic activities, continue portfolio level reporting, support selected key industry collaborations on biodiversity, and establish further biodiversity specific engagement strategies.

#### Action on Human Rights

We are committed to respect human rights. Coming years we are further enhancing our approaches on human rights and we seek to align all of our operations, including our investment operations, with the guidance as provided in the UN Guiding Principles for Business and Human Rights.

#### Stewardship

We continue to be an active owner, including dialogue and engagements with investees and service providers. We also seek to expand our voting coverage and are committed to active dialogue with our domestic market investees both in AGM season and throughout the year. We will also enhance our engagement approaches and continue to focus our Nordic collaboration (NEC) on human rights.

### Section 4. Endorsement

**'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.**

Name

Mikko Mursula

Position

CIO and vice CEO

Organisation's Name

Ilmarinen Mutual Pension Insurance Company

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**'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.**

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# ORGANISATIONAL OVERVIEW (OO)

## ORGANISATIONAL INFORMATION

### REPORTING YEAR

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 1	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL

What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?

	Date	Month	Year
Year-end date of the 12-month period for PRI reporting purposes:	31	12	2022

## SUBSIDIARY INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2	CORE	N/A	OO 2.1	PUBLIC	Subsidiary information	GENERAL

Does your organisation have subsidiaries?

- (A) Yes
- (B) No



# ASSETS UNDER MANAGEMENT

## ALL ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 3	N/A	PUBLIC	All asset classes	GENERAL

What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?

USD

(A) AUM of your organisation, including subsidiaries, and excluding the AUM subject to execution, advisory, custody, or research advisory only

US\$ 60,267,273,060.00

(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission, as indicated in [OO 2.2]

US\$ 0.00

(C) AUM subject to execution, advisory, custody, or research advisory only

US\$ 0.00

**Additional information on the exchange rate used: (Voluntary)**

60 267 273 060

## ASSET BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	OO 3	Multiple indicators	PUBLIC	Asset breakdown	GENERAL

Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].

	(1) Percentage of Internally managed AUM	(2) Percentage of Externally managed AUM
(A) Listed equity	>10-50%	>0-10%
(B) Fixed income	>10-50%	>0-10%
(C) Private equity	>0-10%	>0-10%
(D) Real estate	>10-50%	>0-10%
(E) Infrastructure	>0-10%	>0-10%
(F) Hedge funds	>0-10%	>0-10%
(G) Forestry	0%	>0-10%
(H) Farmland	0%	0%
(I) Other	>0-10%	>0-10%
(J) Off-balance sheet	0%	0%

**(I) Other - (1) Percentage of Internally managed AUM - Specify:**

Commodities, Money market instruments, cash, other.

**(I) Other - (2) Percentage of Externally managed AUM - Specify:**

Money market, cross asset allocation and allocation funds, other.

## ASSET BREAKDOWN: EXTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.1	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a further breakdown of your organisation's externally managed listed equity and/or fixed income AUM.

	(1) Listed equity	(2) Fixed income - SSA	(3) Fixed income - corporate	(4) Fixed income - securitised	(5) Fixed income - private debt
(A) Active	>50-75%	>0-10%	>50-75%	>0-10%	>10-50%
(B) Passive	>10-50%	0%	>0-10%		

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2	CORE	OO 5, OO 5.1	SAM 3, SAM 8	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a breakdown of your organisation's externally managed AUM between segregated mandates and pooled funds or investments.

	(1) Segregated mandate(s)	(2) Pooled fund(s) or pooled investment(s)
(A) Listed equity - active	0%	>75%
(B) Listed equity - passive	0%	>75%
(C) Fixed income - active	0%	>75%
(D) Fixed income - passive	0%	>75%
(E) Private equity	0%	>75%
(F) Real estate	0%	>75%

(G) Infrastructure 0% >75%

(H) Hedge funds 0% >75%

## ASSET BREAKDOWN: INTERNALLY MANAGED LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 LE	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed listed equity	GENERAL

**Provide a further breakdown of your internally managed listed equity AUM.**

(A) Passive equity >10-50%

(B) Active – quantitative >0-10%

(C) Active – fundamental >50-75%

(D) Other strategies 0%

## ASSET BREAKDOWN: INTERNALLY MANAGED FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 FI	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed fixed income	GENERAL

**Provide a further breakdown of your internally managed fixed income AUM.**

(A) Passive – SSA 0%

(B) Passive – corporate 0%

(C) Active – SSA >10-50%

(D) Active – corporate >10-50%

(E) Securitised >0-10%

(F) Private debt >10-50%

## ASSET BREAKDOWN: INTERNALLY MANAGED PRIVATE EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 PE	CORE	OO 5	N/A	PUBLIC	Asset breakdown: Internally managed private equity	GENERAL

### Provide a further breakdown of your internally managed private equity AUM.

(A) Venture capital >10-50%

(B) Growth capital >10-50%

(C) (Leveraged) buy-out >50-75%

(D) Distressed, turnaround or  
special situations 0%

(E) Secondaries >0-10%

(F) Other >0-10%

#### (F) Other - Specify:

Other

## ASSET BREAKDOWN: INTERNALLY MANAGED REAL ESTATE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 RE	CORE	OO 5	N/A	PUBLIC	Asset breakdown: Internally managed real estate	GENERAL

**Provide a further breakdown of your internally managed real estate AUM.**

(A) Retail >0-10%

(B) Office >10-50%

(C) Industrial >0-10%

(D) Residential >10-50%

(E) Hotel >10-50%

(F) Lodging, leisure and recreation 0%

(G) Education 0%

(H) Technology or science 0%

(I) Healthcare 0%

(J) Mixed use 0%

(K) Other >0-10%

**(K) Other - Specify:**

uncategorised

## ASSET BREAKDOWN: INTERNALLY MANAGED INFRASTRUCTURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 INF	CORE	OO 5	N/A	PUBLIC	Asset breakdown: Internally managed infrastructure	GENERAL

**Provide a further breakdown of your internally managed infrastructure AUM.**

(A) Data infrastructure >0-10%

(B) Diversified 0%

(C) Energy and water resources 0%

(D) Environmental services 0%

(E) Network utilities >75%

(F) Power generation (excl. renewables) >0-10%

(G) Renewable power 0%

(H) Social infrastructure 0%

(I) Transport >0-10%

(J) Other >0-10%

**(J) Other - Specify:**

Other potential co-investments with large direct ownership.

## ASSET BREAKDOWN: INTERNALLY MANAGED HEDGE FUND

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 HF	CORE	OO 5	OO 11	PUBLIC	Asset breakdown: Internally managed hedge fund	GENERAL

**Provide a further breakdown of your internally managed hedge fund assets.**

(A) Multi-strategy >10-50%

(B) Long/short equity 0%

(C) Long/short credit 0%

(D) Distressed, special situations  
and event-driven fundamental >10-50%

(E) Structured credit 0%

(F) Global macro >10-50%

(G) Commodity trading advisor 0%

(H) Other strategies >10-50%

**(H) Other strategies - Specify:**

Relative value



## MANAGEMENT BY PRI SIGNATORIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6	CORE	OO 5	N/A	PUBLIC	Management by PRI signatories	GENERAL

**What percentage of your organisation's externally managed assets are managed by PRI signatories?**

>75%

## GEOGRAPHICAL BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 7	CORE	Multiple, see guidance	N/A	PUBLIC	Geographical breakdown	GENERAL

**How much of your AUM in each asset class is invested in emerging markets and developing economies?**

### AUM in Emerging Markets and Developing Economies

(A) Listed equity	(2) >0 to 10%
(B) Fixed income – SSA	(7) >50 to 60%
(C) Fixed income – corporate	(2) >0 to 10%
(D) Fixed income – securitised	(2) >0 to 10%
(E) Fixed income – private debt	(2) >0 to 10%
(F) Private equity	(2) >0 to 10%
(G) Real estate	(2) >0 to 10%
(H) Infrastructure	(2) >0 to 10%

(1) Hedge funds

(2) >0 to 10%

## STEWARDSHIP

### STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship	GENERAL

Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?

	(1) Listed equity - active	(2) Listed equity - passive	(3) Fixed income - active	(4) Fixed income - passive	(5) Private equity
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Yes, through external managers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) We do not conduct stewardship	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	(6) Real estate	(7) Infrastructure	(8) Hedge funds	(9) Forestry	(11) Other
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(B) Yes, through service providers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Yes, through external managers	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(D) We do not conduct stewardship	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

## STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9 HF	CORE	OO 5	OO 9	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation have direct investments in listed equity across your hedge fund strategies?

- (A) Yes
- (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation conduct (proxy) voting activities for any of your listed equity holdings?

	(1) Listed equity - active	(2) Listed equity - passive	(3) Hedge funds
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(B) Yes, through service providers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Yes, through external managers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) We do not conduct (proxy) voting	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9.1	CORE	OO 9	PGS 10.1, PGS 31	PUBLIC	Stewardship: (Proxy) voting	GENERAL

**For each asset class, on what percentage of your listed equity holdings do you have the discretion to vote?**

**Percentage of your listed equity holdings over which you have the discretion to vote**

(A) Listed equity – active	(10) >80 to 90%
(B) Listed equity - passive	(1) 0%
(C) Hedge funds	(2) >0 to 10%

## STEWARDSHIP NOT CONDUCTED

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 10	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship not conducted	2

**Describe why your organisation does not currently conduct stewardship and/or (proxy) voting.**

Stewardship, excluding (proxy) voting  
(K) Other

does not apply as we conduct stewardship and/or (proxy) voting as stated in our Responsible Investment policy and guidelines.

## ESG INCORPORATION

### INTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 11	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Internally managed assets	1

**For each internally managed asset class, does your organisation incorporate ESG factors into your investment decisions?**

	(1) Yes, we incorporate ESG factors into our investment decisions	(2) No, we do not incorporate ESG factors into our investment decisions
(A) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - active - quantitative	<input checked="" type="radio"/>	<input type="radio"/>
(C) Listed equity - active - fundamental	<input checked="" type="radio"/>	<input type="radio"/>
(E) Fixed income - SSA	<input checked="" type="radio"/>	<input type="radio"/>
(F) Fixed income - corporate	<input checked="" type="radio"/>	<input type="radio"/>

(G) Fixed income - securitised	<input checked="" type="radio"/>	<input type="radio"/>
(H) Fixed income - private debt	<input checked="" type="radio"/>	<input type="radio"/>
(I) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(J) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(K) Infrastructure	<input checked="" type="radio"/>	<input type="radio"/>
(L) Hedge funds - Multi-strategy	<input checked="" type="radio"/>	<input type="radio"/>
(O) Hedge funds - Distressed, special situations and event-driven fundamental	<input checked="" type="radio"/>	<input type="radio"/>
(Q) Hedge funds - Global macro	<input checked="" type="radio"/>	<input type="radio"/>
(S) Hedge funds - Other strategies	<input checked="" type="radio"/>	<input type="radio"/>
(V) Other: Commodities, Money market instruments, cash, other.	<input checked="" type="radio"/>	<input type="radio"/>

## EXTERNAL MANAGER SELECTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 12	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager selection	1

**For each externally managed asset class, does your organisation incorporate ESG factors when selecting external investment managers?**

	(1) Yes, we incorporate ESG factors when selecting external investment managers	(2) No, we do not incorporate ESG factors when selecting external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(D) Fixed income - passive	<input checked="" type="radio"/>	<input type="radio"/>
(E) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(G) Infrastructure	<input checked="" type="radio"/>	<input type="radio"/>
(H) Hedge funds	<input checked="" type="radio"/>	<input type="radio"/>
(I) Forestry	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Money market, cross asset allocation and allocation funds, other.	<input checked="" type="radio"/>	<input type="radio"/>

## EXTERNAL MANAGER APPOINTMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 13	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager appointment	1

For each externally managed asset class, does your organisation incorporate ESG factors when appointing external investment managers?

	(1) Yes, we incorporate ESG factors when appointing external investment managers	(2) No, we do not incorporate ESG factors when appointing external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(D) Fixed income - passive	<input checked="" type="radio"/>	<input type="radio"/>
(E) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(G) Infrastructure	<input checked="" type="radio"/>	<input type="radio"/>
(H) Hedge funds	<input checked="" type="radio"/>	<input type="radio"/>
(I) Forestry	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Money market, cross asset allocation and allocation funds, other.	<input checked="" type="radio"/>	<input type="radio"/>

## EXTERNAL MANAGER MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 14	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager monitoring	1

For each externally managed asset class, does your organisation incorporate ESG factors when monitoring external investment managers?



	(1) Yes, we incorporate ESG factors when monitoring external investment managers	(2) No, we do not incorporate ESG factors when monitoring external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(D) Fixed income - passive	<input checked="" type="radio"/>	<input type="radio"/>
(E) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(G) Infrastructure	<input checked="" type="radio"/>	<input type="radio"/>
(H) Hedge funds	<input checked="" type="radio"/>	<input type="radio"/>
(I) Forestry	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Money market, cross asset allocation and allocation funds, other.	<input checked="" type="radio"/>	<input type="radio"/>

## ESG IN OTHER ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 15	CORE	OO 11, OO 12–14	N/A	PUBLIC	ESG in other asset classes	1

**Describe how your organisation incorporates ESG factors into the following asset classes.**

Internally managed  
(C) Other

Commodities, money market instruments, cash or other assets that we manage, our RI policies and guidelines will apply where possible.

Externally managed

(D) Forestry

Responsible Investment decisions consider our RI guidelines in order to best understand E,S,G questions considering the practicality and implementation of frameworks and data. Engagement and active discussion are the main tools to assess a range of ESG questions.

(F) Other

Commodities, money market instruments, cash or other assets that we manage, our RI policies and guidelines will apply where possible.

## ESG STRATEGIES

### LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 LE	CORE	OO 11	OO 17.1 LE, LE 12	PUBLIC	Listed equity	1

**Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active listed equity?**

**Percentage out of total internally managed active listed equity**

(A) Screening alone	0%
(B) Thematic alone	0%
(C) Integration alone	0%
(D) Screening and integration	0%
(E) Thematic and integration	0%
(F) Screening and thematic	0%
(G) All three approaches combined	>75%
(H) None	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 LE	CORE	OO 17 LE	LE 9	PUBLIC	Listed equity	1

What type of screening does your organisation use for your internally managed active listed equity assets where a screening approach is applied?

Percentage coverage out of your total listed equity assets where a screening approach is applied

(A) Positive/best-in-class screening only	0%
(B) Negative screening only	0%
(C) A combination of screening approaches	>75%

## FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 FI	CORE	OO 5.3 FI, OO 11	Multiple, see guidance	PUBLIC	Fixed income	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active fixed income?

	(1) Fixed income - SSA	(2) Fixed income - corporate	(3) Fixed income - securitised
(A) Screening alone	0%	0%	0%
(B) Thematic alone	0%	0%	0%
(C) Integration alone	0%	0%	0%
(D) Screening and integration	0%	0%	>75%

(E) Thematic and integration	0%	0%	0%
(F) Screening and thematic	0%	0%	0%
(G) All three approaches combined	>75%	>75%	0%
(H) None	0%	0%	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 FI	CORE	OO 17 FI	N/A	PUBLIC	Fixed income	1

**What type of screening does your organisation use for your internally managed active fixed income where a screening approach is applied?**

	(1) Fixed income - SSA	(2) Fixed income - corporate	(3) Fixed income - securitised
(A) Positive/best-in-class screening only	0%	0%	0%
(B) Negative screening only	0%	>75%	>75%
(C) A combination of screening approaches	>75%	0%	0%

## ESG/SUSTAINABILITY FUNDS AND PRODUCTS

## LABELLING AND MARKETING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	OO 11–14	OO 18.1	PUBLIC	Labelling and marketing	1

Do you explicitly market any of your products and/or funds as ESG and/or sustainable?

- (A) Yes, we market products and/or funds as ESG and/or sustainable
- (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable
- (C) Not applicable; we do not offer products or funds

## PASSIVE INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 19	CORE	OO 5.3 FI, OO 11	LE 8, FI 10	PUBLIC	Passive investments	1

What percentage of your total internally managed passive listed equity and/or fixed income passive AUM utilise an ESG index or benchmark?

Percentage of AUM that utilise an ESG index or benchmark

(A) Listed equity - passive >75%

## THEMATIC BONDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 20	CORE	OO 17 FI	FI 15, FI 17	PUBLIC	Thematic bonds	1

What percentage of your total environmental and/or social thematic bonds are labelled by the issuers in accordance with industry-recognised standards?

**Percentage of your total environmental and/or social thematic bonds labelled by the issuers**

(A) Green or climate bonds	0%
(B) Social bonds	0%
(C) Sustainability bonds	0%
(D) Sustainability-linked bonds	0%
(E) SDG or SDG-linked bonds	0%
(F) Other	>75%
(G) Bonds not labelled by the issuer	0%

**(F) Other - Specify:**

We are still in the developing stages of following a framework and approach to thematic bonds

## SUMMARY OF REPORTING REQUIREMENTS

### SUMMARY OF REPORTING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 21	CORE	Multiple indicators	Multiple indicators	PUBLIC	Summary of reporting requirements	GENERAL

The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.

Applicable modules	(1) Mandatory to report (pre-filled based on previous responses)	(2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module	(2.2) Voluntary to report. No, I want to opt-out of reporting on the module
Policy, Governance and Strategy	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Confidence Building Measures	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(T) External manager selection, appointment and monitoring (SAM) – listed equity - active	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
(U) External manager selection, appointment and monitoring (SAM) – listed equity - passive	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
(V) External manager selection, appointment and monitoring (SAM) – fixed income - active	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
(W) External manager selection, appointment and monitoring (SAM) – fixed income - passive	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
(X) External manager selection, appointment and monitoring (SAM) – private equity	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
(Y) External manager selection, appointment and monitoring (SAM) – real estate	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
(Z) External manager selection, appointment and monitoring (SAM) – infrastructure	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

(AA) External manager selection, appointment and monitoring (SAM)  
– hedge funds

## SUBMISSION INFORMATION

### REPORT DISCLOSURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 32	CORE	OO 3, OO 31	N/A	PUBLIC	Report disclosure	GENERAL

How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?

- (A) Publish as absolute numbers
- (B) Publish as ranges

# POLICY, GOVERNANCE AND STRATEGY (PGS)

## POLICY

### RESPONSIBLE INVESTMENT POLICY ELEMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 1	CORE	OO 8, OO 9	Multiple indicators	PUBLIC	Responsible investment policy elements	1, 2

Which elements are covered in your formal responsible investment policy(ies)?

- (A) Overall approach to responsible investment
- (B) Guidelines on environmental factors
- (C) Guidelines on social factors
- (D) Guidelines on governance factors
- (E) Guidelines on sustainability outcomes
- (F) Guidelines tailored to the specific asset class(es) we hold
- (G) Guidelines on exclusions
- (H) Guidelines on managing conflicts of interest related to responsible investment
- (I) Stewardship: Guidelines on engagement with investees
- (J) Stewardship: Guidelines on overall political engagement
- (K) Stewardship: Guidelines on engagement with other key stakeholders
- (L) Stewardship: Guidelines on (proxy) voting
- (M) Other responsible investment elements not listed here



Specify:

The board of directors approves our Responsible Investment Policy, and it applies to all investment decisions. To action these policies, Ilmarinen's guidelines outline how the policies are implemented in practice. Guidelines are approved by Responsible Investment Management Group.

- (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 2	CORE	PGS 1	Multiple, see guidance	PUBLIC	Responsible investment policy elements	1

#### Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?

- (A) Specific guidelines on climate change (may be part of guidelines on environmental factors)
- (B) Specific guidelines on human rights (may be part of guidelines on social factors)
- (C) Specific guidelines on other systematic sustainability issues

Specify:

Ownership policy, Created and publicly disclosed first iteration of Ilmarinen's biodiversity roadmap.

- (D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 3	CORE	PGS 1, PGS 2	N/A	PUBLIC	Responsible investment policy elements	6

#### Which elements of your formal responsible investment policy(ies) are publicly available?

- (A) Overall approach to responsible investment

Add link:

<https://www.ilmarinen.fi/en/about-ilmarinen/investments/responsibility-in-investments/>

- (B) Guidelines on environmental factors

Add link:

<https://www.ilmarinen.fi/en/about-ilmarinen/investments/responsibility-in-investments/>

- (C) Guidelines on social factors

Add link:

<https://www.ilmarinen.fi/en/about-ilmarinen/investments/responsibility-in-investments/>

- (D) Guidelines on governance factors

Add link:

<https://www.ilmarinen.fi/en/about-ilmarinen/investments/responsibility-in-investments/>

**(E) Guidelines on sustainability outcomes**

Add link:

<https://www.ilmarinen.fi/en/about-ilmarinen/investments/responsibility-in-investments/>

**(F) Specific guidelines on climate change (may be part of guidelines on environmental factors)**

Add link:

<https://www.ilmarinen.fi/en/about-ilmarinen/investments/responsibility-in-investments/>

**(G) Specific guidelines on human rights (may be part of guidelines on social factors)**

Add link:

<https://www.ilmarinen.fi/en/about-ilmarinen/investments/responsibility-in-investments/human-rights-policy/>

**(H) Specific guidelines on other systematic sustainability issues**

Add link:

<https://www.ilmarinen.fi/en/about-ilmarinen/current-topics/news-and-articles/2022/biodiversity-roadmap/>

**(I) Guidelines tailored to the specific asset class(es) we hold**

Add link:

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmastotiekartta/ilmarinen-climate-roadmap-2022.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmastotiekartta/ilmarinen-climate-roadmap-2022.pdf)

**(J) Guidelines on exclusions**

Add link:

<https://www.ilmarinen.fi/en/about-ilmarinen/investments/responsibility-in-investments/>

**(K) Guidelines on managing conflicts of interest related to responsible investment**

Add link:

<https://www.ilmarinen.fi/en/about-ilmarinen/investments/responsibility-in-investments/>

**(L) Stewardship: Guidelines on engagement with investees**

Add link:

<https://www.ilmarinen.fi/en/about-ilmarinen/investments/responsibility-in-investments>

**(M) Stewardship: Guidelines on overall political engagement**

Add link:

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/vastuullisen-sijoittamisen-periaatteet-kaytannon-ohjeistus/responsible\\_investment\\_policy\\_2022\\_paivitetty.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/vastuullisen-sijoittamisen-periaatteet-kaytannon-ohjeistus/responsible_investment_policy_2022_paivitetty.pdf)

**(N) Stewardship: Guidelines on engagement with other key stakeholders**

Add link:

<https://www.ilmarinen.fi/en/about-ilmarinen/investments/responsibility-in-investments/ownership-policy/>

**(O) Stewardship: Guidelines on (proxy) voting**

Add link:

<https://www.ilmarinen.fi/en/about-ilmarinen/investments/responsibility-in-investments/ownership-policy/>

**(P) Other responsible investment aspects not listed here**

Add link:

- (Q) No elements of our formal responsible investment policy(ies) are publicly available

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 5	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

**Which elements are covered in your organisation’s policy(ies) or guidelines on stewardship?**

- (A) Overall stewardship objectives
  - (B) Prioritisation of specific ESG factors to be advanced via stewardship activities
  - (C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts
  - (D) How different stewardship tools and activities are used across the organisation
  - (E) Approach to escalation in stewardship
  - (F) Approach to collaboration in stewardship
  - (G) Conflicts of interest related to stewardship
  - (H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa
  - (I) Other
- Specify:

Guidelines on active ownership and voting

- (J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 6	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

**Does your policy on (proxy) voting include voting principles and/or guidelines on specific ESG factors?**

- (A) Yes, it includes voting principles and/or guidelines on specific environmental factors
- (B) Yes, it includes voting principles and/or guidelines on specific social factors
- (C) Yes, it includes voting principles and/or guidelines on specific governance factors
- (D) Our policy on (proxy) voting does not include voting principles or guidelines on specific ESG factors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 7	CORE	OO 9	N/A	PUBLIC	Responsible investment policy elements	2

Does your organisation have a policy that states how (proxy) voting is addressed in your securities lending programme?

- (A) We have a publicly available policy to address (proxy) voting in our securities lending programme
- (B) We have a policy to address (proxy) voting in our securities lending programme, but it is not publicly available
- (C) We rely on the policy of our external service provider(s)
- (D) We do not have a policy to address (proxy) voting in our securities lending programme
- (E) Not applicable; we do not have a securities lending programme

## RESPONSIBLE INVESTMENT POLICY COVERAGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 8	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy coverage	1

What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?

### Combined AUM coverage of all policy elements

(A) Overall approach to responsible investment	
(B) Guidelines on environmental factors	(7) 100%
(C) Guidelines on social factors	
(D) Guidelines on governance factors	

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 9	CORE	PGS 2	N/A	PUBLIC	Responsible investment policy coverage	1

**What proportion of your AUM is covered by your formal policies or guidelines on climate change, human rights, or other systematic sustainability issues?**

**AUM coverage**

(A) Specific guidelines on climate change	(1) for all of our AUM
(B) Specific guidelines on human rights	(1) for all of our AUM
(C) Specific guidelines on other systematic sustainability issues	(1) for all of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10	CORE	OO 8, OO 9, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

**Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?**

- (A) Listed equity**
  - (1) Percentage of AUM covered
    - (1) >0% to 10%
    - (2) >10% to 20%
    - (3) >20% to 30%
    - (4) >30% to 40%
    - (5) >40% to 50%
    - (6) >50% to 60%
    - (7) >60% to 70%
    - (8) >70% to 80%
    - (9) >80% to 90%
    - (10) >90% to <100%
    - (11) 100%**
- (B) Fixed income**

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

(C) Private equity

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

(D) Real estate

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

(E) Infrastructure

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

(F) Hedge funds

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

(G) Forestry

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10.1	CORE	OO 9.1, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

**What percentage of your listed equity holdings is covered by your guidelines on (proxy) voting?**

(A) Actively managed listed equity

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

(C) Direct listed equity holdings in hedge fund portfolios

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%

- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

## GOVERNANCE

### ROLES AND RESPONSIBILITIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11	CORE	N/A	Multiple indicators	PUBLIC	Roles and responsibilities	1

Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?

- (A) Board members, trustees, or equivalent
- (B) Senior executive-level staff, or equivalent

Specify:

Jouko Pölönen CEO, via Responsible Investment Executive Committee

- (C) Investment committee, or equivalent

Specify:

Responsible Investment Executive Committee

- (D) Head of department, or equivalent

Specify department:

Vice CEO and CIO Mikko Mursula

- (E) None of the above bodies and roles have oversight over and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.1	CORE	PGS 1, PGS 2, PGS 11	N/A	PUBLIC	Roles and responsibilities	1, 2

Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?



**(1) Board members, trustees, or equivalent**

**(2) Senior executive-level staff, investment committee, head of department, or equivalent**

(A) Overall approach to responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Guidelines on environmental, social and/or governance factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Guidelines on sustainability outcomes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Specific guidelines on climate change (may be part of guidelines on environmental factors)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Specific guidelines on human rights (may be part of guidelines on social factors)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Specific guidelines on other systematic sustainability issues	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(G) Guidelines tailored to the specific asset class(es) we hold	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(H) Guidelines on exclusions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(I) Guidelines on managing conflicts of interest related to responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Stewardship: Guidelines on engagement with investees	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(K) Stewardship: Guidelines on overall political engagement	<input type="checkbox"/>	<input type="checkbox"/>
(L) Stewardship: Guidelines on engagement with other key stakeholders	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(M) Stewardship: Guidelines on (proxy) voting

(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.2	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1 – 6

**Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?**

(A) Yes

Describe how you do this:

The Board has a mandated oversight on Ilmarinen's Responsible investment policy. The RI executive committee has a mandated oversight on strategic and operational implementation of RI policy. The RI team is mandated to develop and implement the RI policy and approaches.

- (B) No
- (C) Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 12	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1

**In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?**

(A) Internal role(s)

Specify:

Responsible investment staff/ investment systems team/ middle office team, risk / portfolio managers/ investment analysts/ head of asset classes/ responsible investment executive committee/ chief level staff/ board. Legal department and communications.

(B) External investment managers, service providers, or other external partners or suppliers

Specify:

Chosen external managers/ ESG service providers/ index providers/ market data service providers.

- (C) We do not have any internal or external roles with responsibility for implementing responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 13	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

**Does your organisation use responsible investment KPIs to evaluate the performance of your board members, trustees, or equivalent?**

- (A) Yes, we use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent
- (B) No, we do not use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

Explain why: (Voluntary)

We are currently developing our operational capacity to see how to practically integrate KPI's in risk management systems. Once that is finalized the scope to tie such KPI's to performance of members at all levels of the organization will be developed further.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 14	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

**Does your organisation use responsible investment KPIs to evaluate the performance of your senior executive-level staff (or equivalent), and are these KPIs linked to compensation?**

- (A) Yes, we use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)
- (B) No, we do not use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

Explain why: (Voluntary)

We are actively working on responsible investing KPI's to be integrated directly to remuneration, however currently ESG is integrated into the investment decision making and we use ESG benchmark for listed equities and we have the investment performance/ return as a CEO/CIO remuneration KPI.

## EXTERNAL REPORTING AND DISCLOSURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 16	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?

- (A) Any changes in policies related to responsible investment
- (B) Any changes in governance or oversight related to responsible investment
- (C) Stewardship-related commitments
- (D) Progress towards stewardship-related commitments
- (E) Climate-related commitments
- (F) Progress towards climate-related commitments
- (G) Human rights-related commitments
- (H) Progress towards human rights-related commitments
- (I) Commitments to other systematic sustainability issues
- (J) Progress towards commitments on other systematic sustainability issues
- (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 17	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?

- (A) Yes, including all governance-related recommended disclosures
- (B) Yes, including all strategy-related recommended disclosures
- (C) Yes, including all risk management-related recommended disclosures
- (D) Yes, including all applicable metrics and targets-related recommended disclosures
- (E) None of the above

Add link(s):

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual\\_and\\_sustainability\\_report\\_2022.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual_and_sustainability_report_2022.pdf)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 19	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

**During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?**

(A) Yes, we publicly disclosed our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

Add link(s):

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual\\_and\\_sustainability\\_report\\_2022.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual_and_sustainability_report_2022.pdf)

- (B) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
- (C) Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year

## STRATEGY

### CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 20	CORE	N/A	N/A	PUBLIC	Capital allocation	1

**Which elements do your organisation-level exclusions cover?**

- (A) Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services
- (B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries
- (C) Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact
- (D) Exclusions based on our organisation's climate change commitments
- (E) Other elements

Specify:

Collaborated closely with MSCI one of the leading index providers, with a new set of Climate Action indices that replaced our previous ESG leader indices.

- (F) Not applicable; our organisation does not have any organisation-level exclusions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 21	CORE	N/A	N/A	PUBLIC	Capital allocation	1

**How does your responsible investment approach influence your strategic asset allocation process?**

**(A) We incorporate ESG factors into our assessment of expected asset class risks and returns**

Select from dropdown list:

- (1) for all of our AUM subject to strategic asset allocation
- (2) for a majority of our AUM subject to strategic asset allocation**
- (3) for a minority of our AUM subject to strategic asset allocation

**(B) We incorporate climate change–related risks and opportunities into our assessment of expected asset class risks and returns**

Select from dropdown list:

- (1) for all of our AUM subject to strategic asset allocation
- (2) for a majority of our AUM subject to strategic asset allocation**
- (3) for a minority of our AUM subject to strategic asset allocation

**(C) We incorporate human rights–related risks and opportunities into our assessment of expected asset class risks and returns**

Select from dropdown list:

- (1) for all of our AUM subject to strategic asset allocation
- (2) for a majority of our AUM subject to strategic asset allocation**
- (3) for a minority of our AUM subject to strategic asset allocation

**(D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns**

Select from dropdown list:

- (1) for all of our AUM subject to strategic asset allocation
- (2) for a majority of our AUM subject to strategic asset allocation**
- (3) for a minority of our AUM subject to strategic asset allocation

Specify: (Voluntary)

Use of climate benchmark; Ilmarinen was the first earnings-related pension company in Finland to publish its Biodiversity Roadmap.

- (E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns
- (F) Not applicable; we do not have a strategic asset allocation process

## STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 22	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

For the majority of AUM within each asset class, which of the following best describes your primary stewardship objective?

	(1) Listed equity	(2) Fixed income	(3) Private equity	(4) Real estate
(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

(5) Infrastructure

(6) Hedge funds

(7) Forestry

(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.



(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?

- (A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible
- (B) We collaborate on a case-by-case basis
- (C) Other
- (D) We do not join collaborative stewardship efforts



## STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 29	CORE	OO 9, PGS 1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**When you use external service providers to give recommendations, how do you ensure those recommendations are consistent with your organisation's (proxy) voting policy?**

- (A) Before voting is executed, we review external service providers' voting recommendations for controversial and high-profile votes**
  - Select from the below list:
    - (2) in a majority of cases**
    - (3) in a minority of cases
- (B) Before voting is executed, we review external service providers' voting recommendations where the application of our voting policy is unclear**
  - Select from the below list:
    - (2) in a majority of cases**
    - (3) in a minority of cases
- (C) We ensure consistency with our voting policy by reviewing external service providers' voting recommendations only after voting has been executed**
  - Select from the below list:
    - (3) in a minority of cases**
  - (D) We do not review external service providers' voting recommendations
  - (E) Not applicable; we do not use external service providers to give voting recommendations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 30	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**How is voting addressed in your securities lending programme?**

- (A) We recall all securities for voting on all ballot items
- (B) When a vote is deemed important according to pre-established criteria (e.g. high stake in the company), we recall all our securities for voting
- (C) Other
- (D) We do not recall our securities for voting purposes
- (E) Not applicable; we do not have a securities lending programme**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 31	CORE	OO 9.1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

For the majority of votes cast over which you have discretion to vote, which of the following best describes your decision making approach regarding shareholder resolutions (or that of your external service provider(s) if decision making is delegated to them)?

- (A) We vote in favour of resolutions expected to advance progress on our stewardship priorities, including affirming a company's good practice or prior commitment
- (B) We vote in favour of resolutions expected to advance progress on our stewardship priorities, but only if the investee company has not already publicly committed to the action(s) requested in the proposal
- (C) We vote in favour of shareholder resolutions only as an escalation measure
- (D) We vote in favour of the investee company management's recommendations by default
- (E) Not applicable; we do not vote on shareholder resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 32	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

During the reporting year, how did your organisation, or your external service provider(s), pre-declare voting intentions prior to voting in annual general meetings (AGMs) or extraordinary general meetings (EGMs)?

- (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system on the Resolution Database
- (B) We pre-declared our voting intentions publicly by other means, e.g. through our website
- (C) We privately communicated our voting decision to investee companies prior to the AGM/EGM
- (D) We did not privately or publicly communicate our voting intentions prior to the AGM/EGM
- (E) Not applicable; we did not cast any (proxy) votes during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33	CORE	OO 9	PGS 33.1	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, do you publicly disclose your (proxy) voting decisions or those made on your behalf by your external service provider(s), company by company and in a central source?

- (A) Yes, for all (proxy) votes

Add link(s):

<https://www.ilmarinen.fi/tietoa-ilmarisesta/sijoitukset/vastuullisuus-sijoitustoiminnassa/omistajaohjaus/#aanestykset>

- (B) Yes, for the majority of (proxy) votes
- (C) Yes, for a minority of (proxy) votes
- (D) No, we do not publicly report our (proxy) voting decisions company-by-company and in a central source

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33.1	CORE	PGS 33	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**In the majority of cases, how soon after an investee's annual general meeting (AGM) or extraordinary general meeting (EGM) do you publish your voting decisions?**

- (A) Within one month of the AGM/EGM
- (B) Within three months of the AGM/EGM
- (C) Within six months of the AGM/EGM
- (D) Within one year of the AGM/EGM
- (E) More than one year after the AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 34	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**After voting has taken place, did your organisation, and/or the external service provider(s) acting on your behalf, communicate the rationale for your voting decisions during the reporting year?**

**(1) In cases where we abstained or voted against management recommendations**

**(2) In cases where we voted against an ESG-related shareholder resolution**

(A) Yes, we publicly disclosed the rationale

(B) Yes, we privately communicated the rationale to the company

(1) for all votes

(1) for all votes

(C) We did not publicly or privately communicate the rationale, or we did not track this information

(D) Not applicable; we did not abstain or vote against management recommendations or ESG-related shareholder resolutions during the reporting year

## STEWARDSHIP: ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 36	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Escalation	2

For your listed equity holdings, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

	(1) Listed equity	(2) Direct listed equity holdings in hedge fund portfolios
(A) Joining or broadening an existing collaborative engagement or creating a new one	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Filing, co-filing, and/or submitting a shareholder resolution or proposal	<input type="checkbox"/>	<input type="checkbox"/>
(C) Publicly engaging the entity, e.g. signing an open letter	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Voting against the re-election of one or more board directors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(E) Voting against the chair of the board of directors, or equivalent, e.g. lead independent director	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Divesting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(G) Litigation	<input type="checkbox"/>	<input type="checkbox"/>
(H) Other	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(I) In the past three years, we did not use any of the above escalation measures for our listed equity holdings	<input type="radio"/>	<input type="radio"/>

**(H) Other - (1) Listed equity - Specify:**

Supporting shareholder resolution, publicly discussed our voting rationale at one agm, one-on-one engagement with investees

**(H) Other - (2) Direct listed equity holdings in hedge funds portfolios - Specify:**

Supporting shareholder resolution, publicly discussed our voting rationale at one agm, one-on-one engagement with investees

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 37	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

**For your corporate fixed income assets, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?**

- (A) Joining or broadening an existing collaborative engagement or creating a new one
- (B) Publicly engaging the entity, e.g. signing an open letter
- (C) Not investing
- (D) Reducing exposure to the investee entity
- (E) Divesting
- (F) Litigation
- (G) Other
  - Specify:
    - One-on-one engagement
- (H) In the past three years, we did not use any of the above escalation measures for our corporate fixed income assets

## STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39	CORE	OO 8, OO 9	PGS 39.1, PGS 39.2	PUBLIC	Stewardship: Engagement with policy makers	2

Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?

- (A) Yes, we engaged with policy makers directly
- (B) Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI
- (C) Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI
- (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.1	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?

- (A) We participated in 'sign-on' letters
- (B) We responded to policy consultations
- (C) We provided technical input via government- or regulator-backed working groups

Describe:

Through national industry association participation to national to corporate responsibility and ESG related legislative consultation

- (D) We engaged policy makers on our own initiative

Describe:

Real estate

- (E) Other methods

Describe:

We also contribute to public dialogue via blogs, international and national media outlets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.2	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?

(A) We publicly disclosed all our policy positions

Add link(s):

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual\\_and\\_sustainability\\_report\\_2022.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual_and_sustainability_report_2022.pdf)

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmastotiekartta/ilmarinen-climate-roadmap-2022.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmastotiekartta/ilmarinen-climate-roadmap-2022.pdf)

(B) We publicly disclosed details of our engagements with policy makers

Add link(s):

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmastotiekartta/ilmarinen-climate-roadmap-2022.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmastotiekartta/ilmarinen-climate-roadmap-2022.pdf)

<https://www.ilmarinen.fi/en/about-ilmarinen/investments/responsibility-in-investments/>

- (C) No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year

## CLIMATE CHANGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41	CORE	N/A	PGS 41.1	PUBLIC	Climate change	General

Has your organisation identified climate-related risks and opportunities affecting your investments?

(A) Yes, within our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual\\_and\\_sustainability\\_report\\_2022.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual_and_sustainability_report_2022.pdf) Please read from p. 24 onwards.

(B) Yes, beyond our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual\\_and\\_sustainability\\_report\\_2022.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual_and_sustainability_report_2022.pdf) Please read from p. 26 onwards

- (C) No, we have not identified climate-related risks and/or opportunities affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41.1	CORE	PGS 41	N/A	PUBLIC	Climate change	General

**Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?**

● (A) Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

Our long-term goal is to achieve carbon neutrality for our entire portfolio by the end of 2035. We are working on further developing our road map. In the first phase (2020-2025) we will focus on the following themes: carbon risk as part of the investment analysis developing a tool to monitor investees' climate targets and their reporting transparent reporting on climate risks and opportunities increasing climate-related engagement in both our active and our passive investments an emissions compensation scheme for real estate, taking into consideration also the emissions during the construction phase strengthening our carbon sinks. Establishing a time and the milestones we have developed, set the framework on how we will be approaching climate related-risks and opportunities.

Last year we updated the net zero 2035 roadmap by further developing international real estate portfolio and corporate bonds. In addition, at the end of 2022, we were developing the MSCI Climate Action benchmark for our directly listed portfolio, which are designed to help institutional investors seeking to invest for the transition and finance companies' emissions reduction to drive change in the real economy. In addition, we have made large passive investments consistent with the Climate Action methodology. We have developed a similar approach for the direct corporate bond investments, by using a Sustainability related Index and we continue to investigate further a suitable approach on the fixed income asset class. On physical real estate assets, we integrate climate, circular economy, and biodiversity goals into construction.

The key aspects in our design guidelines are reuse and zero waste planning, system-level sustainability, i.e. replaceability of spare parts and the generation and use of renewable energy. A sustainable circular economy is not possible without renewable and clean energy.

- (B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 43	CORE	N/A	N/A	PUBLIC	Climate change	General



**Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?**

- (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)
- (B) Yes, using the One Earth Climate Model scenario
- (C) Yes, using the International Energy Agency (IEA) Net Zero scenario
- (D) Yes, using other scenarios**

Specify:

Trucost's transition pathway analysis adapts two approaches prominent in literature produced and referenced by the Science-Based Targets Initiative (SBTI). These are the Sectoral Decarbonization Approach (SDA), and the Greenhouse Gas Emissions per unit of Value Added (GEVA) approach. The scenarios used in SDA assessments are International Energy Agency (IEA) scenarios from the IEA Net Zero Scenario and Energy Technology Perspectives 2017. These provide SDA assessment parameters consistent with 1.5°, 1.75°, 2°, and 2.7°C of warming. GEVA approach, the scenarios used in GEVA assessments are Representative Concentration Pathway (RCP) scenarios used in the AR5 report from the IPCC, as well as the scenario benchmark requirement set out in the EU Paris Aligned Benchmark regulation for the 1.5°C scenario. These provide GEVA assessment parameters consistent with 1.5°, 2°, 3°, 4°, and 5°C of warming.

In addition, we have carried out balance sheet climate scenario modelling with the same market service provider that does standard risk modelling with us annually.

- (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 44	CORE	N/A	N/A	PUBLIC	Climate change	General

**Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?**

- (A) Yes, we have a process to identify and assess climate-related risks**
- (1) Describe your process

At Ilmarinen, we follow the TCFD framework to identify and assess climate-related risks. Important to note, that when it comes to Governance, the board, as an example approve targets such as the net zero 2035 target and in the audit committee under the Board of Directors, Ilmarinen address climate change risks and opportunities that have an impact on the allocation as part of the own risk and solvency report. For further details on how we meet the strategical, metrics and targets components of the TCFD framework, please refer to page 24 – 28 of Ilmarinen's 2022 sustainability report.

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual\\_and\\_sustainability\\_report\\_2022.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual_and_sustainability_report_2022.pdf)

- (2) Describe how this process is integrated into your overall risk management

We have two approaches to analysing climate-related risks: 1. Top-down: assessment of climate impacts on the macroeconomic level – asset classes, sectors, geographical areas. 2. Bottom-up: assessment of climate impacts at the investee level In the macro-level top-down model, we assess how the pre-determined climate change scenarios affect the economy and the capital market. The top down climate scenario analysis is a holistic approach that helps assess climate-related risks on, for example, portfolio returns and the solvency ratio, over various time horizons. This is paramount for investors who wish to secure the value creation potential of their portfolio by taking climate change into account in their investment decisions. For further information please refer to page 26- 28 on the process.

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual\\_and\\_sustainability\\_report\\_2022.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual_and_sustainability_report_2022.pdf)

**(B) Yes, we have a process to manage climate-related risks**

(1) Describe your process

We are a global investor, and our investments make an impact around the world. That is why we must take climate change into account in a systematic, forward-looking manner. By incorporating climate factors into our investment decisions, we can participate in building a successful future based on a sustainable, just transition and promote the goals of our investment activities. We exclude companies whose business's carbon intensity is significant, when no other reason warrants the investment. If a company's business's carbon intensity is significant, we assess the company's situation through carbon risk assessment. In carbon risk assessment, the company's business is divided into high, medium and low carbon risk categories. The high carbon risk category includes the production and use of coal and other fossil fuels. Fossil fuels include, among other things, coal, fossil oil and natural gas. If more than 20 per cent of a company's business consists of high carbon risk operations, we can only invest in the company based on a more detailed assessment. We use the methodology and categories provided by MSCI. For companies exceeding the limit, the emission reduction targets and already achieved climate performance are assessed in detail. In addition, we assess climate-related strategy changes and the coverage of reporting. In addition, the investment decision can be influenced by the company's position in its peer group, for example, the relevance and timing of emission reduction targets compared to other companies in the same industry. We will gradually lower the threshold for carbon risk evaluation. Our goal is to have no more than 10% of our investees' business in high carbon risk activities by 2025.

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual\\_and\\_sustainability\\_report\\_2022.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual_and_sustainability_report_2022.pdf)

(2) Describe how this process is integrated into your overall risk management

Climate aspects are also considered in our equity benchmark

- (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 45	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and disclose?

**(A) Exposure to physical risk**

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology
  - (1) Metric or variable used
  - **(2) Metric or variable used and disclosed**
  - (3) Metric or variable used and disclosed, including methodology
- (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual\\_and\\_sustainability\\_report\\_2022.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual_and_sustainability_report_2022.pdf)

**(B) Exposure to transition risk**

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology
  - (1) Metric or variable used
  - **(2) Metric or variable used and disclosed**
  - (3) Metric or variable used and disclosed, including methodology
- (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual\\_and\\_sustainability\\_report\\_2022.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual_and_sustainability_report_2022.pdf)

**(C) Internal carbon price**

**(D) Total carbon emissions**

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology
  - (1) Metric or variable used
  - **(2) Metric or variable used and disclosed**
  - (3) Metric or variable used and disclosed, including methodology
- (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual\\_and\\_sustainability\\_report\\_2022.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual_and_sustainability_report_2022.pdf)

**(E) Weighted average carbon intensity**

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology
  - (1) Metric or variable used
  - **(2) Metric or variable used and disclosed**
  - (3) Metric or variable used and disclosed, including methodology
- (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual\\_and\\_sustainability\\_report\\_2022.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual_and_sustainability_report_2022.pdf)

(F) Avoided emissions

**(G) Implied Temperature Rise (ITR)**

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

○ (1) Metric or variable used

● **(2) Metric or variable used and disclosed**

○ (3) Metric or variable used and disclosed, including methodology

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual\\_and\\_sustainability\\_report\\_2022.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual_and_sustainability_report_2022.pdf)

(H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals

**(I) Proportion of assets or other business activities aligned with climate-related opportunities**

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

○ (1) Metric or variable used

● **(2) Metric or variable used and disclosed**

○ (3) Metric or variable used and disclosed, including methodology

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.climateinvestmentcoalition.org/>

(J) Other metrics or variables

○ (K) Our organisation did not use or disclose any climate risk metrics or variables affecting our investments during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 46	CORE	N/A	N/A	PUBLIC	Climate change	General

**During the reporting year, did your organisation disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?**

**(A) Scope 1 emissions**

(1) Indicate whether this metric was disclosed, including the methodology

● **(1) Metric disclosed**

○ (2) Metric and methodology disclosed

(2) Provide links to the disclosed metric and methodology, as applicable

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual\\_and\\_sustainability\\_report\\_2022.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual_and_sustainability_report_2022.pdf)

**(B) Scope 2 emissions**

(1) Indicate whether this metric was disclosed, including the methodology

● **(1) Metric disclosed**

○ (2) Metric and methodology disclosed

(2) Provide links to the disclosed metric and methodology, as applicable

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual\\_and\\_sustainability\\_report\\_2022.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual_and_sustainability_report_2022.pdf)

- (C) **Scope 3 emissions (including financed emissions)**
  - (1) Indicate whether this metric was disclosed, including the methodology
    - (1) **Metric disclosed**
      - o (2) Metric and methodology disclosed
    - o (2) Metric and methodology disclosed
  - (2) Provide links to the disclosed metric and methodology, as applicable

[https://www.ilmarinen.fi/media\\_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual\\_and\\_sustainability\\_report\\_2022.pdf](https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2022/annual_and_sustainability_report_2022.pdf)

- o (D) Our organisation did not disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year

## SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47	CORE	N/A	Multiple indicators	PUBLIC	Sustainability outcomes	1, 2

**Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?**

- (A) **Yes, we have identified one or more specific sustainability outcomes connected to our investment activities**
- o (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.1	CORE	PGS 47	N/A	PUBLIC	Sustainability outcomes	1, 2

**Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?**

- (A) **The UN Sustainable Development Goals (SDGs) and targets**
- (B) **The UNFCCC Paris Agreement**
- (C) **The UN Guiding Principles on Business and Human Rights (UNGPs)**
- (D) **OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors**
- (E) **The EU Taxonomy**
- (F) Other relevant taxonomies
- (G) **The International Bill of Human Rights**
- (H) **The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions**
- (I) **The Convention on Biological Diversity**
- (J) **Other international framework(s)**

Specify:

UN Global Compact Principles, Institutional Investors Group on Climate Change (IIGCC), Transition Pathway Initiative (TPI)

- (K) Other regional framework(s)
- (L) Other sectoral/issue-specific framework(s)
- (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.2	CORE	PGS 47	PGS 48	PUBLIC	Sustainability outcomes	1, 2

**What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?**

- (A) Identify sustainability outcomes that are closely linked to our core investment activities
- (B) Consult with key clients and/or beneficiaries to align with their priorities
- (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irremediable character
- (D) Identify sustainability outcomes that are closely linked to systematic sustainability issues
- (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)
- (F) Understand the geographical relevance of specific sustainability outcome objectives
- (G) Other method
- (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48	CORE	PGS 47.2	PGS 48.1, SO 1	PUBLIC	Sustainability outcomes	1, 2

**Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?**

- (A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities
- (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

# CONFIDENCE-BUILDING MEASURES (CBM)

## CONFIDENCE-BUILDING MEASURES

### APPROACH TO CONFIDENCE-BUILDING MEASURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 1	CORE	N/A	Multiple indicators	PUBLIC	Approach to confidence-building measures	6

How did your organisation verify the information submitted in your PRI report this reporting year?

- (A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion
- (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
- (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
- (D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report
- (E) We conducted an external ESG audit of our holdings to verify that our funds comply with our responsible investment policy
- (F) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
- (G) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI
  - (H) We did not verify the information submitted in our PRI report this reporting year

### THIRD-PARTY EXTERNAL ASSURANCE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 2	CORE	OO 21, CBM 1	N/A	PUBLIC	Third-party external assurance	6

For which responsible investment processes and/or data did your organisation conduct third-party external assurance?

- (A) Policy, governance and strategy
  - Select from dropdown list:
    - (1) Data assured
    - (2) Processes assured
    - (3) Processes and data assured

## INTERNAL REVIEW

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 6	CORE	CBM 1	N/A	PUBLIC	Internal review	6

### Who in your organisation reviewed the responses submitted in your PRI report this year?

- (A) Board, trustees, or equivalent
- (B) Senior executive-level staff, investment committee, head of department, or equivalent**
  - Sections of PRI report reviewed
    - (1) the entire report**
    - (2) selected sections of the report
  - (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year