# Statement on Principal Adverse Impacts

## of Investment Decisions on Sustainability Factors of Sava Infond d.o.o., LEI code 549300WLK330OXO4QV57, for 2025

Maribor, June 2026

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**Financial market participant:** Sava Infond, Družba za Upravljanje, d.o.o. (LEI code: 549300WLK330OXO4QV57)

# 1 Summary

Sava Infond, Družba za Upravljanje, d.o.o. (the "Company") considers the principal adverse impacts of its investment decisions on sustainability factors.

The Company's statement on principal adverse impacts of investment decisions on sustainability factors covers the **reference period from 1 January to 31 December 2025**.

The indicators are calculated based on the average quarterly holdings in investee companies over the reference period from 1 January to 31 December 2024, using the latest available information on the principal adverse impacts of investee companies.

Since 1 January 2022, the Company has taken principal adverse impacts into account in the Infond Družbeno Odgovorni investment fund. Since 20 August 2024, this has also been the case for an additional 11 investment funds that comply with Article 8 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR).

The Company did not consider the principal adverse impacts of its other products.

The values in the tables below refer to all funds managed by the Company, and not only to those for which principal adverse impacts were considered.

In accordance with the SFDR, the sustainability factors in the financial services sector include environmental, social and employee matters, as well as matters relating to respect for human rights, anti-corruption and anti-bribery. Principal adverse impacts are understood as the effects of investment decisions on these factors.

This document includes an explanation of the principal adverse impacts of investment decisions considered, their descriptions, a description of policies for identifying and prioritising them, a summary of engagement policies, and a description of the extent to which Sava Infond complies with codes of responsible business conduct and internationally recognised standards.

A summary of the principal adverse impacts considered by Sava Infond is shown in table 1.

**Table 1: Summary of principal adverse impacts on sustainability factors**

| Applies to | Area | KPI | Table | No. |
| --- | --- | --- | --- | --- |
| Indicators applicable to investments in investee companies | Climate and other environment-related indicators | Greenhouse gas emissions (GHG) | 1 | 1 |
| | | Carbon footprint | 1 | 2 |
| | | GHG intensity of investee companies | 1 | 3 |
| | | Exposure to companies active in the fossil fuel sector | 1 | 4 |
| | | Share of non-renewable energy consumption and production | 1 | 5 |
| | | Energy consumption intensity per high impact climate sector | 1 | 6 |
| | | Activities negatively affecting biodiversity-sensitive areas | 1 | 7 |
| | | Emissions to water | 1 | 8 |
| | | Hazardous waste and radioactive waste ratio | 1 | 9 |
| | Indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters | Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises | 1 | 10 |
| | | Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises | 1 | 11 |
| | | Unadjusted gender pay gap | 1 | 12 |
| | | Board gender diversity | 1 | 13 |
| | | Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) | 1 | 14 |
| Indicators applicable to investments in sovereigns and supranationals | Environmental | GHG intensity | 1 | 15 |
| | Social | Investee countries subject to social violations | 1 | 16 |
| Indicators applicable to investments in real estate assets | Fossil fuels | Exposure to fossil fuels through real estate assets | 1 | 17 |
| | Energy efficiency | Exposure to energy-inefficient real estate assets | 1 | 18 |
| Additional indicators applicable to investments in investee companies | Environmental indicator (emissions) | Investments in companies without carbon emission reduction initiatives | 2 | 4 |
| | Indicator for respect for human rights matters | Number of cases of severe human rights issues and incidents connected to investee companies on a weighted average basis | 3 | 14 |

## 2 Description of principal adverse impacts of investment decisions on sustainability factors

The following are the qualitative and quantitative PAI indicators as set out in Annex I to the SFDR Delegated Regulation.

**Table 2: Indicators applicable to investments in investee companies**

| Adverse sustainability indicator | | Metric | Impact 2025 | Impact 2024 | Unit | Coverage 2025 | Coverage 2024 | Explanation | Actions taken, and actions planned and targets set for the next reference period |
|---|---|---|---|---|---|---|---|---|---|
| | | **CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS** | | | | | | | |
| **Greenhouse gas emissions (GHG)** | **1. GHG emissions** | Scope 1 GHG emissions | 20,083.32 | 16,810.86 | $tCO_2e$ | 97.33% | 97.10% | Compared to 2024, scope 1 GHG emissions increased by 3,272.46 $tCO_2e$ in 2025. This change is primarily due to shifts in the portfolio mix and an increase in assets under management. | **Actions taken**<br>The Company follows its Responsible Investment Policy. In accordance with this policy, SFDR Article 8 funds do not invest in companies operating in the thermal coal sector, and also seek to limit investments in fossil fuel sectors with a higher negative environmental impact (unconventional fossil fuels and Arctic drilling). This indirectly affects all six principal adverse impact indicators related to emissions (indicators 1–6).<br><br>The Infond Družbeno Odgovorni fund has an additional commitment to hold no investments in fossil fuel companies and to reduce its carbon footprint (indicator 2) and GHG intensity (indicator 3) by 20% compared to its benchmark index.<br><br>**Actions planned and targets**<br>SFDR Article 8 funds will continue to exclude thermal coal companies and limit investments in the fossil fuel sector (unconventional fossil fuels and Arctic drilling). The Infond Družbeno Odgovorni fund will continue to exclude fossil fuel companies and aim to reduce its carbon footprint (indicator 2) and GHG intensity (indicator 3) by 20% compared to its benchmark index. |
| | | Scope 2 GHG emissions | 5,865.48 | 4,409.01 | $tCO_2e$ | 97.33% | 97.10% | In 2025, scope 2 GHG emissions increased by 1,456.47 $tCO_2e$ compared to 2024.<br>This change is primarily due to shifts in the portfolio mix and an increase in assets under management. | |

| Adverse sustainability indicator | | Metric | Impact 2025 | Impact 2024 | Unit | Coverage 2025 | Coverage 2024 | Explanation | Actions taken, and actions planned and targets set for the next reference period |
|---|---|---|---|---|---|---|---|---|---|
| | | Scope 3 GHG emissions | 210,488.93 | 178,097.83 | $tCO_2e$ | 97.34% | 97.11% | In 2025, scope 3 GHG emissions increased by 32,391.1 $tCO_2e$ compared to 2024. This change is primarily due to shifts in the portfolio mix and an increase in assets under management. | The funds will also seek to improve their emissions profile in the coming years. |
| | | Total GHG emissions (scope 1, 2 and 3) | 236,694.65 | 199,080.16 | $tCO_2e$ | 97.31% | 97.10% | During the reporting period, total GHG emissions increased by 37,614.49 $tCO_2e$ compared to the previous period. This change is primarily due to shifts in the portfolio mix and an increase in assets under management. | |
| | **2. Carbon footprint** | Carbon footprint | 285.30 | 290.17 | $tCO_2e$ per million EUR invested | 97.31% | 97.10% | During the reporting period, the carbon footprint decreased by 4.87 $tCO_2e$ per million EUR invested compared to the previous period. This reduction is consistent with both the Group's sustainability targets, to which the Company also adheres, and its Sustainability Investment Policy. | |

| Adverse sustainability indicator | | Metric | Impact 2025 | Impact 2024 | Unit | Coverage 2025 | Coverage 2024 | Explanation | Actions taken, and actions planned and targets set for the next reference period |
|---|---|---|---|---|---|---|---|---|---|
| | **3. GHG intensity of investee companies** | GHG intensity of investee companies | 764.70 | 761.24 | $tCO_2e$ per million EUR of revenue of investee companies | 97.31% | 97.40% | During the reporting period, the GHG intensity of investee companies increased slightly by 3.46 $tCO_2e$ per million EUR of revenue compared to the previous period. This increase is primarily due to changes in the portfolio mix. | |
| | **4. Exposure to companies active in the fossil fuel sector** | Share of investments in companies active in the fossil fuel sector | 5.28 | 6.97 | % | 97.22% | 97.45% | During the reporting period, the share of investments in companies active in the fossil fuel sector decreased by 1.69 percentage points compared to the previous period. This reduction is consistent with both the Group's sustainability targets, to which the Company also adheres, and its Sustainability Investment Policy. | |
| | **5. Share of non-renewable energy consumption and production** | Share of non-renewable energy consumption and production of investee companies compared to renewable energy sources, expressed as a percentage of total energy sources | 53.58 | 51.51 | % | 84.58% | 80.30% | During the reporting period, the share of non-renewable energy consumption and production increased by 2.07 percentage points compared to the previous period. This increase is partly due to changes in the portfolio mix and partly to improved data availability, which covers more companies than in the previous year. | |

| Adverse sustainability indicator | | Metric | Impact 2025 | Impact 2024 | Unit | Coverage 2025 | Coverage 2024 | Explanation | Actions taken, and actions planned and targets set for the next reference period |
|---|---|---|---|---|---|---|---|---|---|
| | **6. Energy consumption intensity per high impact climate sector** | Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector | A: 0.38<br>B: 0.90<br>C: 0.19<br>D: 2.89<br>E: 0.88<br>F: 0.13<br>G: 0.22<br>H: 1.33<br>L: 0.39 | A: 0.32<br>B: 1.05<br>C: 0.21<br>D: 2.04<br>E: 0.76<br>F: 0.14<br>G: 0.19<br>H: 1.31<br>L: 0.44 | GWh per million EUR of revenue of investee companies | 91.77% | 87.89% | While a decrease was observed in certain sectors, higher indicator values were recorded for sectors D, E, G and H. These changes are primarily due to portfolio restructuring and differences in exposure to sectors with varying levels of energy intensity. | |
| **Biodiversity** | **7. Activities negatively affecting biodiversity-sensitive areas** | Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas | 6.27 | 6.11 | % | 97.21% | 97.39% | During the reporting period, the share of investments in companies that have a negative impact on biodiversity-sensitive areas increased by 0.16 percentage points compared to the previous period.<br><br>This change is primarily due to a somewhat higher value of investments in companies operating in the natural resources extraction sector, such as mining and oil and gas extraction, which, by their nature, have a greater impact on the natural environment. | **Actions taken and planned, and targets set for the next reference period**<br>In accordance with the SFDR, the Infond Družbeno Odgovorni fund aims to allocate at least 20% of its investments to sustainability. In line with the “do no significant harm” requirement, the definition of “sustainable investments” takes biodiversity (indicator 7) into account.<br><br>In addition, SFDR Article 8 funds also consider ESG ratings obtained from MSCI ESG Research when selecting their investments. One of the sub-components of these ratings is also biodiversity and land use. We believe that taking these ratings into account in the investment process will have an indirect positive impact on reducing activities that negatively affect biodiversity-sensitive areas. |

| Adverse sustainability indicator | | Metric | Impact 2025 | Impact 2024 | Unit | Coverage 2025 | Coverage 2024 | Explanation | Actions taken, and actions planned and targets set for the next reference period |
|---|---|---|---|---|---|---|---|---|---|
| **Water** | **8. Emissions to water** | Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average | 0.10 | 0.22 | tonnes of emissions per million EUR invested | 5.28% | 1.75% | During the reporting period, the water emissions indicator decreased by 0.12 tonnes per million EUR invested compared to the previous period. This decrease is due to changes in the portfolio mix, with the relative value of investments in companies with high water emissions declining. | **Actions taken and planned, and targets set for the next reference period**<br>The Company currently has no defined target for reducing investments in companies that release emissions into water. Given the low data coverage, the Company intends to obtain additional data in the coming year. However, when selecting their investments, SFDR Article 8 funds also consider ESG ratings obtained from MSCI ESG Research. One of the sub-components of these ratings is also water stress. We believe that taking these ratings into account in the investment process will have an indirect positive impact on reducing waste emissions into water. |
| **Waste** | **9. Hazardous waste and radioactive waste ratio** | Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average | 2.28 | 2.34 | tonnes of waste per million EUR invested | 46.95% | 48.46% | During the reporting period, the hazardous and radioactive waste indicator decreased by 0.06 tonnes of waste per million EUR invested compared to the previous period. This reduction is consistent with both the Group's sustainability targets, to which the Company also adheres, and its Sustainability Investment Policy. | **Actions taken and planned, and targets set for the next reference period**<br>The Company has not taken or planned any actions for this indicator. However, when selecting their investments, SFDR Article 8 funds also consider ESG ratings obtained from MSCI ESG Research. One of the sub-components of these ratings is also toxic emissions and waste. We believe that taking these ratings into account in the investment process will have an indirect positive impact on reducing hazardous and radioactive waste. |

| Adverse sustainability indicator | | Metric | Impact 2025 | Impact 2024 | Unit | Coverage 2025 | Coverage 2024 | Explanation | Actions taken, and actions planned and targets set for the next reference period |
|---|---|---|---|---|---|---|---|---|---|
| | | **INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS** | | | | | | | |
| **Social and employee matters** | **10. Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises** | Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises | 0.19 | 0.16 | % | 97.25% | 97.37% | During the reporting period, the share of investments in companies that violate the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises increased by 0.03 percentage points compared to the previous period.<br><br>This increase is due to the growth in the market value of certain investments in the portfolio. | **Actions taken**<br>SFDR Article 8 funds limit investments in companies that violate the UNGC principles and the OECD guidelines. The Infond Družbeno Odgovorni fund is not permitted to invest in companies that violate these principles and guidelines.<br><br>In accordance with the SFDR, the Infond Družbeno Odgovorni fund aims to allocate at least 20% of its investments to sustainability. In line with the "do no significant harm" requirement, the definition of "sustainable investments" takes into account the fact that companies must not violate the UNGC principles and the OECD guidelines.<br><br>**Actions planned and targets**<br>The Company will continue to limit investments in companies that violate the UNGC principles and the OECD guidelines. For the Infond Družbeno Odgovorni fund, the Company will also aim to increase the share of sustainable investments that, among other things, take these principles and guidelines into account. |
| | **11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises** | Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for | 0.06 | 0.05 | % | 97.18% | 97.45% | During the reporting period, the share of investments in companies lacking adequate processes and mechanisms to monitor compliance with the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises increased by 0.01 percentage points compared to the previous period.<br><br>This change is within the normal range of fluctuations and does not suggest any systematic deterioration in practices across the portfolio. | **Actions taken**<br>In accordance with the SFDR, the Infond Družbeno Odgovorni fund aims to allocate at least 20% of its investments to sustainability. In line with the "do no significant harm" requirement, the definition of "sustainable investments" considers the lack of compliance procedures and mechanisms for monitoring adherence to the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises (indicator 11). The Company has in place at least one policy that covers some of the UN Global Compact principles or the OECD Guidelines for Multinational Enterprises (e.g., human rights, working conditions due diligence or anti-bribery policy) and either a monitoring system to assess compliance with that policy or a complaints handling mechanism.<br><br>**Actions planned and targets**<br>For the Infond Družbeno Odgovorni fund, the Company will aim to increase the share of sustainable investments that, |

| Adverse sustainability indicator | | Metric | Impact 2025 | Impact 2024 | Unit | Coverage 2025 | Coverage 2024 | Explanation | Actions taken, and actions planned and targets set for the next reference period |
|---|---|---|---|---|---|---|---|---|---|
| | | Multinational Enterprises | | | | | | | among other things, take into account the requirement that companies have at least one policy in place that addresses some of the UNGC principles or the OECD guidelines. |
| | **12. Unadjusted gender pay gap** | Average unadjusted gender pay gap of investee companies | 8.26 | 9.38 | % | 37.76% | 39.53% | During the reporting period, the unadjusted gender pay gap decreased by 1.12 percentage points compared to the previous period.<br>This improvement reflects both changes in the portfolio mix, with a greater share of companies exhibiting smaller gender pay gaps, and genuine progress made by companies in reducing pay disparities between men and women. | **Actions taken**<br>In accordance with the SFDR, the Infond Družbeno Odgovorni fund aims to allocate at least 20% of its investments to sustainability. In line with the “do no significant harm” requirement, the definition of “sustainable investments” takes into account indicator 12 – the unadjusted gender pay gap, which must not exceed 20%.<br><br>**Actions planned and targets**<br>For the Infond Družbeno Odgovorni fund, the Company will aim to increase the share of sustainable investments that, among other things, take into account the requirement that companies must not have a gender pay gap exceeding 20%. |
| | **13. Board gender diversity** | Average ratio of female to male board members in investee companies, expressed as a percentage of all board members | 34.03 | 35.37 | % | 96.45% | 96.79% | During the reporting period, the share of women represented on boards decreased by 1.34 percentage points compared to the previous period.<br><br>This decrease is primarily due to changes in the portfolio mix, with the fund increasing its investments in companies from Asian markets during the reporting year, where the representation of women on the governing bodies of these companies is traditionally lower than in Europe or North America. | **Actions taken**<br>In accordance with the SFDR, the Infond Družbeno Odgovorni fund aims to allocate at least 20% of its investments to sustainability. In line with the “do no significant harm” requirement, the definition of “sustainable investments” takes into account indicator 13 – board gender diversity. At least 30% of board members must be women.<br><br>**Actions planned and targets**<br>For the Infond Družbeno Odgovorni fund, the Company will aim to increase the share of sustainable investments that, among other things, include a requirement that at least 30% of board members in investee companies be women. |

| Adverse sustainability indicator | | Metric | Impact 2025 | Impact 2024 | Unit | Coverage 2025 | Coverage 2024 | Explanation | Actions taken, and actions planned and targets set for the next reference period |
|---|---|---|---|---|---|---|---|---|---|
| | **14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)** | Share of investments in investee companies involved in the manufacture or selling of controversial weapons | 0.00 | 0.18 | % | 97.26% | 97.46% | During the reporting period, the share of exposure to controversial weapons decreased to 0.00% from the previous period, in line with the Group's Sustainability Investment Policy, to which the Company also adheres. | **Actions taken**<br>The controversial weapons manufacturing industry is on the list of excluded industries defined in the Responsible Investment Policy and refers to direct exposure to controversial weapons manufacturers. SFDR Article 8 funds are not permitted to invest in companies operating in the controversial weapons sector.<br><br>In accordance with the SFDR, the Infond Družbeno Odgovorni fund aims to allocate at least 20% of its investments to sustainability. In line with the "do no significant harm" requirement, the definition of "sustainable investments" takes into account indicator 14 – exposure to controversial weapons.<br><br>**Actions planned and targets set for the next reference period**<br>SFDR Article 8 funds will continue to exclude companies involved in the controversial weapons sector. |

## Table 3: Indicators applicable to investments in sovereigns and supranationals

| Adverse sustainability indicator | | Metric | Impact 2025 | Impact 2024 | Unit | Coverage 2025 | Coverage 2024 | Explanation | Actions taken, and actions planned and targets set for the next reference period |
|---|---|---|---|---|---|---|---|---|---|
| **Environmental** | **15. GHG intensity** | GHG intensity of investee countries | 288.25 | 301.74 | $tCO_2e$ per million EUR of GDP | 91.56% | 87.00% | During the reporting period, the GHG intensity of investee countries decreased by 13.49 $tCO_2e$ per million EUR of GDP compared to the previous period.<br>This reduction reflects changes in the portion of the portfolio mix invested in sovereign securities, with the relative value of investments in countries with higher carbon emissions declining. | **Actions taken and planned, and targets set for the next reference period**<br>See indicators 1–6. |
| **Social** | **16. Investee countries subject to social violations** | Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law | 4.50 and 5.99% | 5.00 and 6.58% | absolute and relative number | 90.51% | 86.70% | During the reporting period, the share of investments in countries where social rights violations occur decreased both in absolute and relative terms compared to the previous period. This change is due to adjustments in the portion of the portfolio mix invested in sovereign securities. | **Actions taken and planned, and targets set for the next reference period**<br>In accordance with its Responsible Investment Policy, the Company monitors countries' ESG ratings to verify whether its investment portfolio includes investments in countries where social rights are being violated. SFDR Article 8 funds are not permitted to invest in issuers with a sovereign ESG rating lower than BB (i.e., B or CCC). |

**Table 4: Additional indicators applicable to investments in investee companies**

| Adverse sustainability impact | | Metric | Impact 2025 | Impact 2024 | Unit | Coverage 2025 | Coverage 2024 | Explanation | Actions taken, and actions planned and targets set for the next reference period |
|---|---|---|---|---|---|---|---|---|---|
| **Environmental impacts (emissions)** | **4. Investments in companies without carbon emission reduction initiatives** | Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement | 47.72 | 42.99 | % | 96.74% | 97.00% | During the reporting period, the share of investments in companies without carbon emission reduction initiatives increased by 4.73 percentage points compared to the previous period.<br><br>This increase is primarily due to changes in the portfolio mix and the weighting of individual issuers. | **Actions taken and planned, and targets set for the next reference period**<br>See indicators 1–6. |
| **Respect for human rights** | **14. Number of identified cases of severe human rights issues and incidents** | Number of cases of severe human rights issues and incidents connected to investee companies on a weighted average basis | 0.00 | 0.00 | number | 97.21% | 97.00% | During the reporting period, the indicator value remained unchanged from the previous period at 0.00.<br><br>Consequently, the indicator shows no exposure to severe human rights issues or incidents. | **Actions taken and planned, and targets set for the next reference period**<br>The aim for future periods is to monitor the share of investments in companies where severe human rights issues and incidents occur. |

**Table 5: Indicators applicable to investments in real estate assets**

| Adverse sustainability impact | | Metric | Impact 2025 | Impact 2024 | Unit | Coverage 2025 | Coverage 2024 | Explanation | Actions taken, and actions planned and targets set for the next reference period |
|---|---|---|---|---|---|---|---|---|---|
| **Fossil fuels** | **17. Exposure to fossil fuels through real estate assets** | Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels | n/a | n/a | n/a | n/a | n/a | The Company does not hold any investment properties, infrastructure funds or real estate funds in its portfolio. As it has no exposure to these asset classes, this indicator is neither relevant nor reported on. | The Company does not hold any investment properties, infrastructure funds or real estate funds in its portfolio. As it has no exposure to these asset classes, this indicator is neither relevant nor reported on. |
| **Energy efficiency** | **18. Exposure to energy-inefficient real estate assets** | Share of investments in energy-inefficient real estate assets | n/a | n/a | n/a | n/a | n/a | The Company does not hold any investment properties, infrastructure funds or real estate funds in its portfolio. As it has no exposure to these asset classes, this indicator is neither relevant nor reported on. | The Company does not hold any investment properties, infrastructure funds or real estate funds in its portfolio. As it has no exposure to these asset classes, this indicator is neither relevant nor reported on. |

# 3 Description of policies for identifying and prioritising principal adverse impacts of investment decisions on sustainability factors

## 3.1 Methodology used to identify and prioritise principal adverse impacts

At the fund level, the Company applies several approaches to identify and prioritise principal adverse impacts, as set out in its Responsible Investment Policy. The Company adopted its Responsible Investment Policy on 20 August 2024 and revised it on 1 January 2025. The policy outlines the methodology for identifying and prioritising principal adverse impacts.

At the level of the Infond Družbeno Odgovorni fund, the Company applied several approaches to identify and prioritise principal adverse impacts, as set out in the methodology for achieving the fund's sustainability characteristics, which was first adopted by the Company on 30 November 2021 and remained effective until the Responsible Investment Policy was adopted on 20 August 2024.

A summary of the approaches is provided below.

When mitigating principal adverse impacts, the Company places particular emphasis on three areas:

- climate change,
- human rights,
- sound corporate governance.

**Climate change**

SFDR Article 8 funds do not invest in companies operating in the fossil fuel sector (thermal coal, unconventional fossil fuels and Arctic drilling). This indirectly affects all six principal adverse impact indicators related to emissions (indicators 1–6).

The Infond Družbeno Odgovorni fund has an additional commitment to reduce its carbon footprint (indicator 2) and GHG intensity (indicator 3) by 20% compared to its benchmark index.

In line with the "do no significant harm" requirement, the definition of "sustainable investments" takes biodiversity (indicator 7) into account.

**Human rights**

SFDR Article 8 funds also do not invest in companies that violate the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises (indicator 10). In addition, they do not invest in companies in any way connected to the controversial weapons sector (indicator 14).

In line with the "do no significant harm" requirement, the definition of "sustainable investments" takes into account the following, alongside other environmental and social goals:

- the lack of processes and compliance mechanisms to monitor compliance with the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises (indicator 11),
- the unadjusted gender pay gap (indicator 12),
- the board gender diversity (indicator 13).

**Sound corporate governance**

SFDR Article 8 funds do not invest in companies that fail to apply sound governance practices.

The funds also take principal adverse impacts into account by not investing in companies rated by MSCI as higher risk in terms of ESG factors (ESG rating). This general approach means the fund avoids investments that perform poorly in terms of environmental, social and governance factors.

The Company calculates all mandatory principal adverse impact indicators for SFDR Article 8 funds. In the future, PAI data coverage is expected to improve as more sustainability-related disclosure becomes available from financial and non-financial market participants. Accordingly, further activities will be planned to identify limitations or priorities for investment decision-making related to adverse impact indicators.

The management board of Sava Infond is responsible for establishing a system that ensures compliance with the adopted sustainable development principles. The board is also authorised to adopt policies and set practical guidelines for implementing the sustainable development and responsible investment policies.

The Company is a member of the Sava Insurance Group and is committed to complying with the Group's Sustainability Investment Policy.

The management board will regularly monitor the Company's performance regarding principal adverse impacts and approve the disclosures on an annual basis in accordance with legislation.

The Company's supervisory board is familiar with the sustainable development and responsible investment policies and monitors their implementation.

## 3.2 Data sources

The Company uses data provided by MSCI ESG Research to calculate its principal adverse impacts. As a member of the Sava Insurance Group, the Company has chosen to use MSCI data to ensure consistency and comparability with the parent company and other subsidiaries. To prepare this PAI statement, the Company obtained information from both MSCI Inc. and its own data sources. MSCI Inc. applied a methodology for calculating PAI indicators that is based on the SFDR. The Company believes that MSCI Inc.'s data collection methodologies and processes for calculating supplier indicators are reliable and credible.

## 3.3 Methodology for measuring principal adverse impacts

The Company calculated the principal adverse impact indicators on sustainability factors at the company level for the 2025 reference year. A total of 14 principal adverse impact indicators were measured, as defined in table 1 of Annex I of the regulatory technical standards of Delegated Regulation (EU) 2022/1288 (SFDR Delegated Regulation). In addition to these, the Company also measures two additional indicators – the climate and environment-related indicator in table 2 and the social matters indicator in table 3 of the same Annex.

The indicators were calculated based on the average quarterly holdings in investee companies over the reference period from 1 January to 31 December 2025. This represents an average of the impacts as at 31 March, 30 June, 30 September and 31 December. The most recent available information on the principal adverse impacts of the investee companies was taken into account. Each principal adverse impact was calculated based on the available investment data.

For investments in exchange-traded funds (ETFs), the Company has implemented a look-through approach to ensure the impact is calculated for each investment in these funds.

To prepare the calculation, the Company used the tool provided by MSCI ESG Research – SFDR Annual PASI Statement (Fund Ratings Enabled).

MSCI ESG Research collects data reported by companies from the following sources:

- direct company disclosures: sustainability reports, annual reports, regulatory reports and company websites,
- indirect company disclosures: data published by government agencies, industry and trade associations, and third-party financial providers,
- direct communication with companies.

Where company disclosures are not available, investors may select a subset of proposed estimated indicators (where applicable) based on other MSCI ESG Research datasets. These datasets are built using proprietary methodologies and draw on data from companies, market and sector peers, the media, non-governmental organisations (NGOs), multilateral institutions and other reputable sources.

# 4 Engagement policy

The Company has adopted an engagement and voting rights policy, which sets out the principles and procedures for engaging with companies and participating in and voting at the general meetings of public limited companies. The policy is available on the Company’s website (www.infond.si).

Through this policy, the Company contributes to raising corporate governance standards. At general meetings where the Company is present, it will also support resolutions that guide companies towards sustainable business practices. Furthermore, the Company supports the integration of sustainability standards into business processes and efforts for transparent disclosure of risks related to sustainable business practices.

# 5 References to international standards

The Company is a member of the Sava Insurance Group, which endorsed the United Nations Global Compact principles and the OECD Guidelines for Multinational Enterprises. By doing so, it undertook to abide by the United Nations Universal Declaration of Human Rights, the International Labour Organisation labour standards and the UN Guiding Principles on Business and Human Rights.

Sava Infond is a member of the Sava Insurance Group, which is pursuing the targets of the European Green Deal and the Paris Agreement. In its investment management strategy for 2023–2027, the Group has set a target to reduce its scope 1 and 2 GHG emissions by 55% by 2030. At the same time, the Group also takes scope 3 emissions into account, including those associated with its investment portfolio, which constitute a significant share of its overall carbon footprint.

# 6 Comparison with previous periods

The Company first disclosed information on principal adverse impacts for 2024. A comparison between 2024 and 2025 is presented in the tables in section 2. In most cases, the differences observed are due to changes in portfolio exposure, movements in net asset value and differences in data coverage.

With regard to climate and environmental indicators, GHG emissions across all three scopes (indicator 1.1) increased by a total of 37,614.49 $tCO_2e$ in 2025. Nevertheless, the carbon footprint (indicator 1.2) decreased from 290.17 to 285.30 $tCO_2e$ per million EUR invested, reflecting changes in issuer weightings. The GHG intensity of investee companies (indicator 1.3) increased slightly from 761.24 to 764.70 $tCO_2e$ per million EUR of revenue. Exposure to fossil fuels (indicator 1.4) decreased from 6.97% to 5.28%, while the share of non-renewable energy (indicator 1.5) rose slightly from 51.51% to 53.58%. For indicator 1.6, various changes were observed across individual sectors. Indicators 1.7, 1.8 and 1.9 (biodiversity, water emissions, and hazardous and radioactive waste) remained at similar levels or decreased slightly.

Among the social indicators, indicators 1.10 and 1.11 (violations of the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises, and the lack of compliance mechanisms) increased slightly due to changes in issuer weightings. The unadjusted gender pay gap (indicator 1.12) decreased from 9.38% to 8.26%, while gender diversity on boards (indicator 1.13) declined from 35.37% to 34.03%. Exposure to controversial weapons (indicator 1.14) decreased from 0.18% to 0.00%, in line with the exclusion policy.

Among the sovereign indicators, the GHG intensity of investee countries (indicator 1.15) declined from 301.74 to 288.25 $tCO_2e$ per million EUR of GDP. Meanwhile, the number of investee countries subject to social rights violations (indicator 1.16) decreased in both absolute terms (from 5.00 to 4.50) and relative terms (from 6.58% to 5.99%). No data are reported for indicators 1.17 and 1.18 relating to real estate assets, as the Company neither holds nor manages investment properties, infrastructure funds or real estate funds in its investment portfolio, which would otherwise be taken into account for these two indicators.

Among the additional indicators, the share of investments in companies without carbon emission reduction initiatives (indicator 2.4) increased from 42.99% to 47.72%. Meanwhile, the indicator measuring severe human rights issues and incidents (indicator 3.14) remained at 0.00.

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Management Board

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