

**Sustainability-related disclosures**

**Nordea Private Markets SCSp-RAIF**

**ASSET MANAGEMENT**

April 2025

# Transparency of the promotion of environmental or social characteristics and of sustainable investments

**This document includes information relating to environmental and social characteristics of financial products and information relating to sustainable investments, in accordance with article 10 of the Sustainable Finance Disclosure Regulation (SFDR)1.**

**Product name: Nordea Private Markets SCSp-RAIF - NPE Secondary Fund II**

**Legal entity identifier: N/A**

## Summary

The fund promotes certain environmental and/or social characteristics. It does not have as its objective sustainable investment. While this fund does not commit to invest in a minimum proportion of sustainable investment, it may make such investments.

Specific sustainability indicators will be used to measure the attainment of the environmental and/or social characteristics of the fund in accordance with specific methodologies described below. The asset allocation of the fund is presented in the form of a chart that holds a specification of the percentage of investments expected to be aligned with the environmental and/or social characteristics of the fund.

The fund’s Investment Manager is Nordea Investment Management AB

Due diligence on underlying investments is used to ensure that the fund is invested in accordance with the environmental and/or social characteristics promoted.

**Résumé**

Ce fonds promeut certaines caractéristiques environnementales et/ou sociales. Il n’a pas un objective d’investissement durable. Bien que ce fonds ne s’engage pas à investir dans une proportion minimale d’investissements durables, il peut réaliser de tels investissements.

Des indicateurs de durabilité spécifiques seront utilisés afin de mesurer la réalisation des caractéristiques environnementales et/ou sociales du fonds conformément aux méthodologies décrites ci-après. La répartition d’actifs du fonds est présentée sous la forme d’un graphique contenant une spécification du pourcentage d’investissements qui devraient être alignés aux caractéristiques environnementales et/ou sociales du fonds.

Le gestionnaire de placement du produit financier est Nordea Investment Management AB.

Des mesures de due diligence rigoureuses sont appliquées aux investissements sous-jacents et utilisées pour garantir que le fonds est investi conformément aux caractéristiques environnementales et/ou sociales promues .

1Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector

**Does this financial product have a sustainable investment objective?**

#### Yes No

It will make a minimum of **sustainable investments with an environmental objective:**

**%**

 in economic activities that qualify as environmentally sustainable under the EU Taxonomy

 in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of **sustainable investments with a social objective**: %

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of % of sustainable investments

 with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

 with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

 with a social objective

It promotes E/S characteristics, but **will not make any sustainable investments**

This fund promotes environmental or social (“E/S”) characteristics, but does not have as its objective sustainable investment. The fund will not have a commitment to a minimum proportion of sustainable investment, as illustrated above.

## Environmental or social characteristics of the financial product

The E/S characteristics promoted can be environmental and/or social and include the following features:

***ESG due diligence and proprietary assessment***

The Investment Manager integrates environmental and social considerations and ensures good governance as part of the due diligence process of each investment. The assessment creates transparency and comparability over time

**NAM’s Paris-Aligned Fossil Fuel policy**

The product promotes E/S characteristics by refraining from investing in companies that have significant exposure to fossil fuels unless they have a credible transition strategy.

There is no reference benchmark designated for the purpose of attaining the E/S characteristics of the product

More information can be found below in the Investment Strategy and Methodologies sections.

## Investment strategy

#### Description of the investment strategy used to meet the environmental or social characteristics of the financial product

The fund invests in private equity investments through (i) secondary acquisitions of private equity fund interests and (ii) investments in private equity fund assets through fund restructuring transactions. In addition, the fund may make commitments to primary funds, but only in connection with stapled secondary deals. By nature of the asset class, all Portfolio Investments are illiquid and primarily entered into on a forward-looking basis. Geographic emphasis of the investments will primarily be in Northern and Continental Europe and the United States.

On an opportunistic basis, Emerging Markets, Asia and Latin America can be considered. The ESG characteristics of the product are a combination of due diligence of the individual companies and sector and value based exclusions of companies based on NAM’s Responsible Investment Policy’s standards

As part of the investment process, investee funds and managers are screened to ensure that they follow good governance practises for both their own management companies and in relation to their investee companies.

More information on the general investment policy of the Sub-Fund can be found in the Investment Objective, Strategy and Policy section of Annex II the offering document

#### Description of the policy to assess good governance practices of the investee companies

Good governance practices of investee funds and managers are ensured in various layers of the due diligence process. At the Portfolio Investment level, the adherence to good governance principles are assessed in the due diligence of the policies related to employee relations, staff remuneration, management structures and tax compliance. Adherence to the principles is built into the contractual framework as additional safeguards at the Investment Management level.

## Proportion of investments

The fund commits to minimum proportion of investments as illustrated below. Where no percentage proportion or 0% is displayed, such investments may be relevant for the strategy but the fund is not committed to holding a specific proportion at all times, and the proportion of such investments may be as low as 0% at the Investment Manager’s discretion.

**#2 Other**

80%

**#1 Aligned with E/S characteristics**

**Investments\***

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

by the financial product.

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

\*Investments refer to the fund's NAV which is the total market value of the fund.

## Monitoring of environmental or social characteristics

#### Description of how the environmental or social characteristics promoted by the financial product and the sustainability indicators used to measure the attainment of each of those environmental or social characteristics promoted by the financial product are monitored throughout the lifecycle of the financial product and the related internal or external control mechanisms.

The following sustainability indicators are used to measure the attainment of the E/S characteristics of the fund:

* **Proportion of investments with ESG policy or specific ESG targets :** To ensure percentage of investments with an ESG policy or specific ESG targets.
* **Proportion of investments supporting a recognized ESG initiative :** To ensure percentage of investments supporting a recognized ESG initiative.
* **Proportion of investments providing ESG reporting :** To ensure a percentage of investments providing ESG reporting.

## Methodologies

#### Description of the methodologies used to measure how the social or environmental characteristics promoted by the financial product are met.

The methodologies that apply to measure how environmental and social characteristics promoted by the fund are met, are set out here below.

**NAM Paris Aligned Fossil Fuel Policy**

NAM’s Paris-Aligned Fossil Fuel Policy (“PAFF”), has been developed with the Paris agreement2 in mind. The Policy sets thresholds for companies’ exposure to fossil fuel production, distribution and services, which are implemented and monitored as specific exclusions by the Investment Manager. The NAM PAFF policy can be found here. <https://www.nordea.lu/documents/esg-paris-aligned-fossil-fuel-policy/ESG-PAFF_eng_INT.pdf>

**Sector- and value-based exclusions**:

Exclusions aim at limiting the Investment exposure to certain sectors or activities that may be considered to be damaging for the environment and/or the society at large. Sector screenings assess a company’s involvement in a specific activity measured by the revenue derived from this activity.

## Data sources and processing

### What are the data sources used to attain each of the environmental or social characteristics promoted by the financial product?

The Investment Manager uses a range of different data sources primarily provided by the investee companies, to ensure that the financial product is invested in accordance with the environmental and/or social characteristics promoted.

Due to the investment universe of the financial product, data sources are limited and are subject to confidentiality.

### What are the measures taken to ensure data quality?

Given the broad range of investments and the fact that data is of confidential nature, the evaluation of the reported data is done as part of the due diligence process. Where relevant, the Investment Manager would seek to verify data if possible.

### How is data processed?

As described above, the data used derives directly from the investee funds. The Investment Manager seeks to obtain as much and the most granular data possible.

### What proportion of data is estimated?

The Investment Manager relies on reported data, which may partly be based on estimates.

## Limitations to methodologies and data

### Are there any limitations to the methodologies and data sources used?

Information is mainly based on historical data and may not reflect the future ESG performance or risks of the investments.

### How do those limitations not affect how the environmental or social characteristics promoted by the financial product are met?

The fact that each investment is assessed individually by the Investment Manager, mitigates the data limitations.

## Due diligence

#### Description of the due diligence carried out on the underlying assets of the fund, including the internal and external controls on that due diligence.

The Investment Manager conducts its financial and ESG due diligence based on proprietary data primarily to be obtained from the investee companies. This results in an initial assessment, which may warrant direct follow-up to clarify any information gaps or outstanding questions.

The final due diligence report includes both the financial analysis and the conducted ESG due diligence..

## Engagement policies

#### Description of the engagement policies implemented where engagement is part of the environmental or social investment strategy, including any management procedures applicable to sustainability-related controversies in investee companies.

Engagement is not part of the investment strategy of the fund. However, the Investment Manager undertakes a range of activities on behalf of its funds to encourage environmental, social and governance practices, and promotes a long-term approach to decision-making. This includes a close monitoring of investments and engagement on ESG standards in respect of the individual managers and underlying assets.

## Designated reference benchmark

#### Description of whether an index has been designated as a reference benchmark to meet the environmental or social characteristics of the financial product and how such index would be aligned with the environmental or social characteristics of the financial product.

There is no reference benchmark designated for the purpose of attaining the E/S characteristics of the fund.

# Appendix

## UN sustainability Goals

The UN SDGs are a set of 17 Sustainable Development Goals adopted by the United Nations in 2015 as a call for action to end poverty, protect the planet, and ensure peace and prosperity by 2030.



**Amendments**

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| **Date** | **Version** | **Amendment** |
| April 2025 | 1 | First version of fund specific SFDR Article 10 Statement aligned with the SFDR Regulatory Technical Standards |