

# Restriction list

CapMan’s private equity, infrastructure and own balance sheet investments will not invest in companies related to the below areas if the involvement type and/or the established thresholds (as % of total revenue generated) are exceeded. CapMan will not in its real estate investments lease its premises to tenants involved in the below areas if the involvement type and/or the established thresholds (as % of total revenue generated or as % of square meters) are exceeded. This restriction list for private equity, infrastructure and own balance sheet Investments applies to all new investments starting from December 2022, and for real estate investments the list applies to all new lease contracts starting from December 2023. The Restriction list is subject to annual review. Any non-compliance with or deviations from the restriction list shall be addressed by CapMan Plc's Management Group.

## CapMan private equity, infrastructure and own balance sheet investments restriction list

	Area	Definition	Involvement type and threshold (as % of revenue)
Norms based	<b>International humanitarian law and international conventions and standards regarding human rights, environment, and anti-corruption.</b>	<p>Companies involved in violations of international humanitarian law which constitute the international laws at war, or severe infringements of international human rights law or environmental law.</p> <p>Companies involved in violations of international conventions, obligations or standards concerning:</p> <ul style="list-style-type: none"> <li>- human rights, including labour rights</li> <li>- environment, or</li> <li>- anti-corruption</li> </ul> <p>and where the investee company is not able to present clear measures to address the issue.</p> <p>Exception: if adequate measures to remediate the violation put into place during the holding period.</p>	Zero tolerance of involvement.

	Area	Definition	Involvement type and threshold (as % of revenue)
<b>Norms based</b>	<b>Controversial weapons</b>	Companies involved in anti-personnel mines, cluster munitions, chemical or biological weapons, nuclear weapons (inside and outside the non-proliferation treaty), blinding laser weapons, non-detectable fragments and incendiary weapons.	Zero tolerance if involved in the development, production, use, maintenance, offering for sale, distribution, import or export, storage or transportation of controversial weapons or key components specifically designed for controversial weapons.
<b>Location based</b>	<b>Individuals, entities and countries embargoed by the UN, EU, UK, or US</b>	Companies, countries, or individuals on the UN Security Council's Sanctions List, EU Sanctions Map, UK Sanction List or US Sanctions Programs.  For companies, the restriction applies if: - the company is on the sanctions lists, or - an individual is on any of the abovementioned sanctions lists and is either on the Board of Directors or the Chief Executive Officer of the company.	Zero tolerance of involvement.

	Area	Definition	Involvement type and threshold (as % of revenue)
<b>Activity based</b>	<b>Animal testing</b>	Companies involved in animal testing. Exception: for regulated medical purposes.	Production, 5% Distribution, 25%
	<b>Chemical pesticides</b>	Companies involved in the development of plant protection products unauthorized by the European Food Safety Agency.	Production, 5% Distribution, 25%
	<b>Fisheries</b>	Companies involved in bottom trawling, longlining, poisoning and dynamiting for fishery purposes.	Production, 5% Distribution, 25% Related services, 25%
	<b>Fossil fuel: Peat*</b>	Companies involved in using peat as an energy generation source. Exception: allowed if transition is completed during holding period.	Production, 5% Distribution, 25% Related services, 25%
	<b>Fossil fuel: Thermal coal*</b>	Companies involved in thermal coal extraction or thermal coal-fired power generation. Exception: allowed if transition is completed during holding period.	Production, 5% Distribution, 25% Related services, 25%

	Area	Definition	Involvement type and threshold (as % of revenue)
Activity based	<b>Fossil fuel: Unconventional fossil energy*</b>	Companies involved in unconventionally extracted fossil energy and associated methods (e.g. oil sands, deep water drilling, hydraulic fracturing), and extraction from environmentally sensitive areas (e.g. arctic drilling). Exception: allowed if transition is completed during holding period.	Production, 5% Distribution, 25% Related services, 25%

\*The higher thresholds for the production, distribution and related services for Peat, Thermal coal, and Unconventional fossil energy reflect CapMan's values of being an active owner and facilitating the green transition of portfolio companies involved in these sectors.

	Area	Definition	Involvement type and threshold (as % of revenue)
Activity based	<b>Gambling</b>	Companies involved in gambling for money.	Operations, 5% Distribution, 25%
	<b>Illicit drugs</b>	Companies involved in Illicit drugs. Illicit drugs are any drugs or substances that are not legally obtainable and whose use, sale, possession, purchase or transfer is prohibited by law. Exception: for regulated medical purposes.	Zero tolerance of involvement.
	<b>Military combat equipment</b>	Companies involved in products which are i) intended to kill, mutilate or devastate and ii) sold for military purposes.	Production, 0% Distribution, 0% Related services, 50%
	<b>Palm oil</b>	Companies involved in unsustainable production of palm oil. Exception: allowed if investee company meets sectoral best practices for sustainable palm oil (such as Roundtable on Sustainable Palm Oil - RSPO).	Production, 5% Distribution, 25%
	<b>Pornography, sexual exploitation</b>	Companies involved in the production or distribution of pornographic materials or other forms of sexual exploitation.	Production, 0% Distribution, 25%
	<b>Tobacco</b>	Companies involved in the production and distribution of tobacco products, including cigarettes, cigars, electronic cigarettes and smokeless tobacco products. Exception: for regulated medical purposes.	Production, 0% Distribution, 25%

## CapMan's real estate investments restriction list

	Area	Definition	Involvement type and threshold (as % of revenue or sqm)
Norms based	<b>International standards and conventions</b>	<p>Companies involved international humanitarian law which constitute the international laws at war, or severe infringements of international human rights law or environmental law.</p> <p>Companies involved in violations of international conventions, obligations or standards concerning:</p> <ul style="list-style-type: none"> <li>- human rights, including labour rights</li> <li>- environment, or</li> <li>- anti-corruption</li> </ul> <p>and where the company is not able to present clear measures to address the issue.</p> <p>Exception: if adequate measures to remediate the violation put into place during the holding period</p>	Zero tolerance of involvement.
	<b>Controversial weapons</b>	Companies involved in anti-personnel mines, cluster munitions, chemical or biological weapons, nuclear weapons (inside and outside the non-proliferation treaty), blinding laser weapons, non-detectable fragments and incendiary weapons.	Zero tolerance if involved in the development, production, use, maintenance, offering for sale, distribution, import or export, storage or transportation of controversial weapons or key components specifically designed for controversial weapons.
Location based	<b>Individuals, entities, and countries embargoed by the UN, EU, UK, or US</b>	<p>Companies, countries, or individuals (incl. residential tenants) on the UN Security Council's Sanctions List, EU Sanctions Map, UK Sanction List or US Sanctions Programs.</p> <p>For companies, the restriction applies if:</p> <ul style="list-style-type: none"> <li>- the company is on the sanctions lists, or</li> <li>- an individual is on any of the abovementioned sanctions lists and is either on the Board of Directors or the Chief Executive Officer or beneficial owner of the company.</li> </ul>	Zero tolerance of involvement.

	Area	Definition	Involvement type and threshold (as % of revenue or sqm)
Activity based	<b>Military combat equipment</b>	Companies involved in the production of military combat equipment which are i) intended to kill, mutilate, or devastate and ii) sold for military purposes.	Maximum 49% of property by square meter (single property).
	<b>Illicit drugs</b>	Companies involved in illicit drugs. Illicit drugs are any drugs or substances that are not legally obtainable and whose use, sale, possession, purchase, or transfer is prohibited by law. Exception: for regulated medical purposes.	Zero tolerance of involvement.
	<b>Fossil fuel: Peat*</b>	Companies involved in the production of peat as an energy generation source. Exception: allowed if tenant has a credible and transparent transition plan towards sustainable business practices.	Production, 5% Distribution, 25% Related services, 25%
	<b>Fossil fuel: Thermal coal*</b>	Companies involved in the production of coal extraction or coal-fired power generation. Exception: allowed if tenant has a credible and transparent transition plan towards sustainable business practices.	Production, 5% Distribution, 25% Related services, 25%
	<b>Fossil fuel: Unconventional fossil energy*</b>	Companies involved in the production of unconventionally extracted fossil energy and associated methods (e.g. oil sands, deep water drilling, hydraulic fracturing), and extraction from environmentally sensitive areas (e.g. arctic drilling). Exception: allowed if tenant has a credible and transparent transition plan towards sustainable business practices.	Production, 5% Distribution, 25% Related services, 25%
	<b>Pornography</b>	Companies involved in pornographic materials.	Production, 5% Distribution, 25% Related services, 25%
	<b>Prostitution, sexual exploitation</b>	Companies involved in the sale or purchase of sex, or other forms of sexual exploitation.	Zero tolerance of involvement.
	<b>Tobacco</b>	Companies involved the production of tobacco products, including cigarettes, cigars, electronic cigarettes, and smokeless tobacco products.	Production, 0% Distribution, 25%
	<b>Gambling</b>	Companies involved the operation of gambling for money, such as publicly held casinos and gaming companies operating gambling facilities and/or platforms, including brick-and-mortar casinos, riverboat casinos, online gambling websites, and racetracks.	For hotels: max 10% of revenue from hotel and max 10% of property by square meters.  For other properties: max 10% of property by square meters.
	<b>Animal testing</b>	Zero tolerance on animal testing properties managed by CapMan Real Estate.	Zero tolerance of animal testing in our properties.

\*The higher thresholds for the production, distribution and related services for Peat, Thermal coal, and Unconventional fossil energy reflect CapMan's values of being an active owner and facilitating the green transition of tenants involved in these sectors.